

# ABOUT HOW WE DEAL WITH TOMORROW



GRASBLAU  
Berlin

CA Immo is developing the sustainable grasblau office building, which covers around 13,250 sqm, in Berlin's city centre.

SUSTAINABLE  
BUILDING QUALITY  
THOUGHT  
HOLISTICALLY:  
FROM LOCATION  
QUALITY TO  
SOCIO-CULTURAL  
AND ECOLOGICAL  
FACTORS.



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# WE BELIEVE YOU CAN NEVER THINK FAR ENOUGH AHEAD.

Focusing on opportunities or taking a target-based approach to the future? CA Immo adopted a far-sighted strategic path many years ago, focusing squarely on top-quality office properties in major Central European cities. Large land reserves acquired early with a view to securing earnings opportunities across the value chain are now among the most sought-after urban development zones.

Our expertise as developer, project sponsor, manager and landlord gives us ample flexibility when it comes to continually optimising the portfolio and ultimately retaining prime real estate that promises long-term earnings.

The result is sustainable growth and a resilience that even allowed us to sail through a year of crisis in 2020.

MY.O  
Munich

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Developed by CA Immo and completed in 2019, the 27,000 sqm office building is now part of our investment portfolio.





## RESOURCE CONSERVATION & CIRCULAR ECONOMY

Initiatives we take serve to cut resource consumption and promote the re-use and recycling of materials and waste throughout the lifecycle of our buildings.



## SUSTAINABLE PROCUREMENT & SUPPLY CHAIN

Our procurement process upholds high sustainability standards in the course of development projects with a range of environmental and social obligations imposed on contractors and suppliers across the supply chain.

As a leading player in Europe's real estate sector, we unreservedly support the climate goals of the United Nations and the transition to a sustainable economy.



## CLIMATE & ENERGY

We have set ourselves the target of cutting our energy consumption and carbon footprint in the construction and operation of our buildings while building the resilience of our portfolio against climate risks.



## HEALTH & SAFETY

We create safe, inclusive and attractive working environments for our tenants and employees. We support our employees by taking account of their needs, health and individuality.



## BUSINESS ETHICS, CORPORATE GOVERNANCE & COMPLIANCE

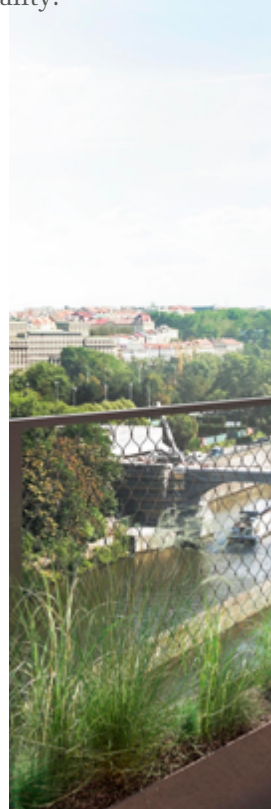
Throughout our sphere of influence, we do business in accordance with principles of responsible corporate management, transparency and compliance with social, environmental and business-related regulations.



## SUSTAINABLE URBAN DISTRICT DEVELOPMENT

We transform old brownfield sites and inner city areas formerly utilised for industrial purposes into modern, mixed-use urban city districts which are attractive, integrated, accessible and offer a high quality of life. In the process we take care to protect biodiversity and establish sustainable infrastructure.

MISSISSIPPI HOUSE  
AND MISSOURI PARK  
Prague



# WHEN IT COMES TO SUSTAINABILITY, WE DON'T HOLD BACK.

Our commitment to sustainability is multifaceted, permeating our whole field of activity. Long-term and sustainable value creation, balancing the needs of the environment and society, is our stated aim. To meet the relevant requirements as fully as possible and to promote our long-term competitiveness, we incorporate appropriate measures, processes and objectives into our strategic positioning.



In 2020, CA Immo completed almost

**30,000** sqm

of sustainable office space and transferred this to the investment portfolio.

(Developed in line with DGNB Gold sustainability standard; certification process not yet finalised)

The conversion of CA Immo's building operations to green electricity and gas implemented in 2020 aims to cut carbon emissions by approximately

**280,000** t

by 2025.

For the first time, CA Immo issued a

€ **350** m

green bond to finance sustainable buildings; the bond was more than five times oversubscribed.

## MODEL SUSTAINABILITY REPORTING



In recognition of the sustainability reporting incorporated into the annual report for 2019, CA Immo received its first EPRA Sustainability Gold Award as well as the Most Improved Sustainability Award.

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# WE ARE NOT INTERESTED IN QUICK SALES: WHAT MATTERS MOST IS A LONG-TERM PORTFOLIO STRATEGY.



With a capital rotation programme, we sharpened our strategic focus yet more in 2020: properties in less desirable locations have been sold while free resources have been invested in portfolio growth in Berlin and Warsaw, among other places. As an operator of class A office premises in well connected city centre locations, we came through 2020 – a tough year – in some style, maintaining our course of growth in the process. After all, we are sure of one thing: modern office and workplace concepts will remain highly attractive to companies and the people who work for them.



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NEO  
Munich

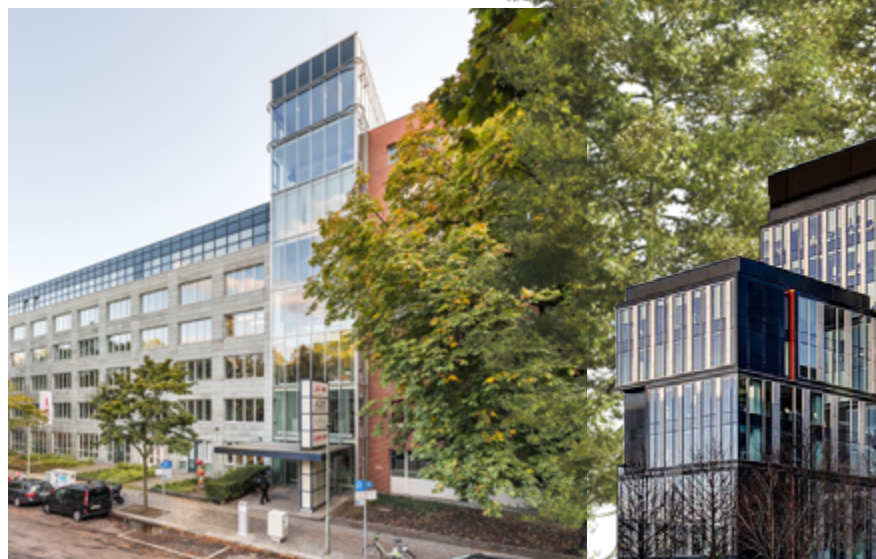
The office and hotel building NEO was completed in Munich during quarter three and transferred to our portfolio.



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AM KARLSBAD 11  
Berlin

The 8,700 sqm office building acquired in Berlin in the course of capital rotation has also been fully let.



## LETTINGS PERFORMANCE

# 136,240 sqm

New lettings, contract extensions and pre-letting of development projects will ensure attractive rental revenue for the years ahead.

## OCCUPANCY RATE

# 94.8 %

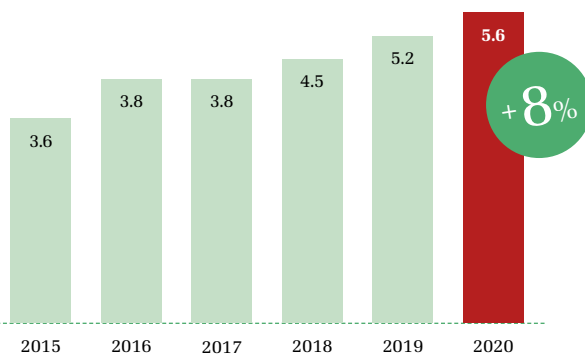
The asset portfolio still has high occupancy on all of CA Immo's core markets.

## PROJECT COMPLETIONS<sup>1)</sup>

# € 286 m

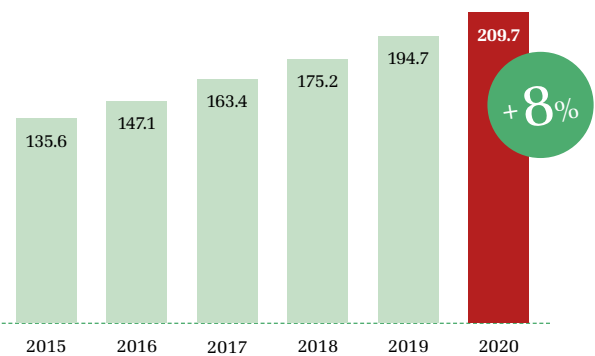
During 2020, CA Immo completed four development projects, thereof two for its own portfolio.

## PROPERTY ASSETS (€bn)



Successful capital rotation with portfolio additions in Berlin, Warsaw and Munich ensures further portfolio growth.

## NET RENTAL INCOME (€m)



Another significant increase in net rental income is a signal of operational strength and crisis resilience.

### POSTEPU 14 Warsaw

The 34,600 sqm portfolio acquisition in a prime location of Warsaw is certified according to the BREEAM sustainability standard.

### MY.B Berlin

MY.B, a 14,800 sqm, fully let office building in Berlin, was completed and transferred to the portfolio in the first quarter.



<sup>1)</sup> Total investment volume (incl. plot)

## RETURN ON EQUITY

# 8%

The positive earnings situation is reflected in a solid return on equity.

## CONSOLIDATED NET INCOME

# € 254 m

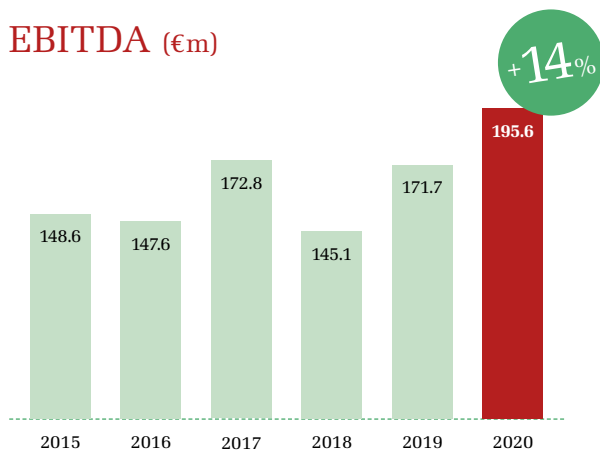
The good earnings situation is supported by a rock-solid operating performance.

## BENCHMARK BOND

# € 500 m

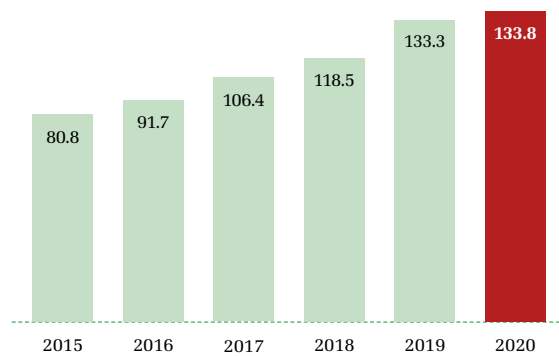
CA Immo successfully placed a benchmark bond with a term of seven years in January 2020.

## EBITDA (€m)



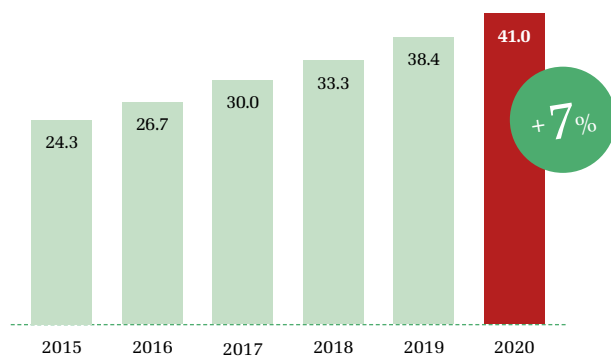
Strong operating result thanks to higher rental and sales result.

## FFO I (€m)



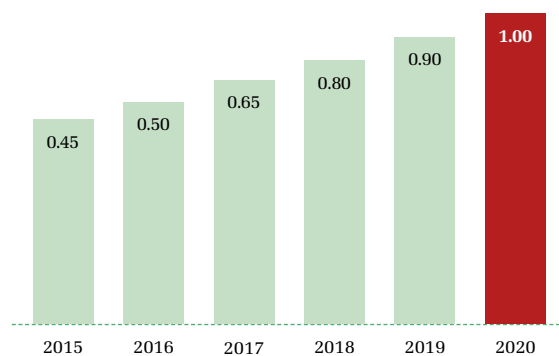
Recurring earnings are significantly above the annual target of > € 126 m.

## EPRA NAV PER SHARE<sup>2)</sup> (€)



The stable growth in net asset value is proof of CA Immo's high value creation power.

## DIVIDEND PER SHARE<sup>1)</sup> (€)



The continuous dividend policy was maintained in 2020.

**EPRA  
BPR  
SILVER  
AWARD  
2020**



The CA Immo Annual Report 2019 received an award for transparent financial reporting for another year in a row.

All figures as of 31 Dezember 2020 <sup>1)</sup> Dividend paid in the business year <sup>2)</sup> Undiluted



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# A TRACK RECORD OF ENHANCING VALUE OVER DECADES IS NO COINCIDENCE.

Something that had been growing in value for more than 30 years proved absolutely robust even in 2020 – the year of Covid. Thanks to our top quality portfolio of inner city offices, an excellent tenant structure and consistently strong value creation from development business in Germany, we can report sound fiscal results as we continue on the path of growth. With a strong balance sheet and good fund of cash and cash equivalents, we keep on expanding.



## FLÖSSERHOF Mainz

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CA Immo is preparing construction of the Flößerhof residential building in the Zollhafen district of Mainz.



# TO US, FACTS AND FIGURES COUNT. SO DOES THE INNOVATIVE DRIVE OF 400 PLUS FORWARD-THINKING EXPERTS.



As a long-term holder, investor and developer of high quality office properties, we are defining the skylines of major Central European cities – and creating places where people want to work. Our greatest driver is the vision, expertise and inquisitiveness of our employees. A flair for innovation, use of the latest technologies and sophisticated design enable us to attain top quality standards in the office segment. Our claim: Urban benchmarks.



## CA IMMO LOCATIONS

# 9

We are active on the most attractive real estate markets of Germany, the CEE region and Vienna.

## CA IMMO EMPLOYEES

# 437

CA Immo experts plan, build and operate office properties at the highest level.

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## FOREWORD BY THE MANAGEMENT BOARD



Andreas Quint (CEO), Keegan Viscius (CIO), Andreas Schillhofer (CFO), left to right

### LADIES AND GENTLEMEN,

Political debates on climate targets and the measures needed to achieve them have intensified and gained urgency in recent months. In April 2021, the European Commission decided to tighten their carbon reduction target from minus 40% to minus 55% by 2030 compared to 1990 levels. At the same time, it published first Technical Screening Criteria (TSC) of the EU Taxonomy and announced comprehensive new standards for ESG reporting (Sustainability Reporting Directive) as well as an extended ESG reporting obligation for companies.

Driven by the landmark ruling by the German Federal Constitutional Court, demanding Climate justice for future generations, the German government has raised national carbon reduction targets from 55% to 65% by 2030 in May and started revising their Climate protection Act 2019. Many other (EU) countries follow suit, also defining their national strategies and programmes towards car-

bon neutrality. There is no doubt that climate and environmental protection has become a decisive factor not only of companies but of entire economic sectors.

Innovation, new technical solutions, research and development – but also cooperation between politics, business and individual sectors – will be key components in mastering this major global task.

In this environment, companies reevaluate their business models and sustainability positioning. So do we. We are aware of the impact we have on the environment and society across our entire value creation chain and the corresponding responsibility CA Immo has as a project developer, building contractor, investor, landlord, employer and client. As a top player in the European real estate sector, we are committed to sustainability in the broadest sense within our sphere of influence; compliance with a wide range of voluntary requirements and standards in environmental and social matters has been binding for us and our supply chain for a long time.

**Strategic sustainability initiative**

Under the title ‘Tomorrow Proof by CA Immo’, we are pursuing a Group-wide project aimed at defining and managing our strategic sustainability (ESG) activities. With this initiative, we aim to make an active contribution to achieving the climate and environmental targets defined by the European Union (climate neutrality by 2050) and the general transition to a sustainable economy. Our sustainable business agenda (which can be found on page 13) summarises the key objectives and actions associated with this. Cornerstones of the integrated project include reducing the carbon footprint of the building stock and increasing the overall resilience of the portfolio to climate risks.

This report shows our strategic positioning, goals and action plan on the topic of sustainability and provides an overview of corresponding activities in 2020. Various measures were initiated or implemented in recent quarters, including the Group-wide conversion of our building operations to electricity from renewable energy sources to reduce carbon emissions. At the same time, we

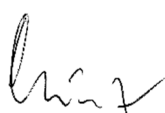
were able to place our first green bond to finance our sustainable project developments with great success. Through these activities, we are contributing to the transition to a sustainable, low-carbon economy while taking advantage of favourable market conditions to optimise our financing structure and reduce average financing costs.

Our ESG commitment requires the involvement of many, both our own employees and external partners. Through targeted information and clear standards and guidelines, we aim to raise awareness among our employees, contractors and other stakeholders of the issues we consider relevant and to encourage or engage them to support our principles and initiatives.

Taking all these initiatives into account, we can say with confidence that we have already embarked on the path to a sustainable, climate-neutral economy. Our mission is clear: we want to secure optimal competitive opportunities in this rapidly changing environment, make the best possible use of our great potential and position CA Immo future-proof in every respect in the long term.

Vienna, in July 2021

The Management Board



Andreas Quint  
(Chairman)



Dr. Andreas Schillhofer  
(Member of the Management Board)



Keegan Viscius  
(Member of the Management Board)

## STRATEGY

CA Immo has built up an excellent market position in core Europe over more than three decades of steady development. As a long-term manager, investor and developer of high-quality office properties, we shape the urban landscape of Central European metropolises and create places where people love to work. Through our innovative strength, forward-looking portfolio management and holistic commitment to sustainability, we ensure the highest quality in the office segment and secure long-term competitiveness for CA Immo. Our high-quality investment portfolio – combined with extensive land reserves in central, inner-city locations and proven development expertise – offers a first-class capital and earnings base for sustainable growth.

### Company profile and business model

CA Immo's core competence is the development and management of modern, large office properties in core Europe. The company's core region comprises Austria, Germany, Poland, Czechia, Hungary, and Romania. While business activity in Germany is concentrated on the cities of Berlin, Munich and Frankfurt, the strategic focus in the other countries is directed at capital cities (Vienna, Warsaw, Prague, Budapest and Bucharest). In Germany, expansion into additional metropolitan areas with attractive characteristics and more than one million inhabitants is a strategic option.

From the design and development of entire urban districts to the active management of investment properties, value is generated for CA Immo shareholders through a comprehensive value chain. The CA Immo business model aims to ensure sustainable income from lettings to a first-class pool of tenants with high credit ratings while generating additional revenue from the development and sale of real estate.

### High-quality Investment Portfolio

The asset portfolio is clearly focused on office properties with an attractive yield in central and very well connected locations (the proportion of office properties was 90% of the overall property portfolio on the key date). Other usage types only serve to realise and optimise actual strategic real estate and account for a very small proportion of the total portfolio.

The company aims to enhance the attractiveness of the portfolio over the long term through active portfolio management, i.e. by means of continual investment and the ongoing sale of properties with limited value creation potential (strategic capital rotation). The company's core activities in several countries optimise risk diversification. A strategic investment property should not only be attractive in terms of location and fittings, but also technically innovative and sustainable in every respect; each should retain a strong market position combined with a distinctive image as an urban benchmark.

### Real estate development as significant growth driver

The key organic growth driver will continue to be the development of modern, energy-efficient core properties for our own portfolio in CA Immo's core markets, especially in Germany. The company has significant potential for organic growth in the coming years, based on extensive reserves of centrally located land in inner-city locations (especially in the German metropolises of Berlin, Munich and Frankfurt) and profound property development expertise with a strong track record of the construction management subsidiary omniCon. This potential offers the company's shareholders significant long-term earnings prospects by exploiting the entire depth of value creation through the achievement of building permits, the development and acquisition of strategic properties in the existing portfolio and the sale of non-strategic properties.

Regarding utilisation of its project completions, CA Immo pursues its strategy as office portfolio holder: Office properties are developed primarily for the company's own portfolio, whereas residential properties are earmarked for selling after completion.

### Property acquisitions as additional growth driver

Beyond property development, selective acquisitions are intended to strengthen the portfolio in the Group's core markets and provide additional rental income impulses. The corporate platform, which has been optimised in recent years, combined with a robust balance sheet profile and the local market expertise of the internal asset management teams in all core markets, represents a fundamentally strong basis for value-creating growth.

### Successful implementation of strategic programmes CA

Immo successfully implemented the strategic programmes of prior years. In addition to the finalising of sales of non-strategic properties and further optimisation

of the financing structure, the strategic agenda was clearly focused on value-enhancing growth within defined core markets. The ongoing strengthening of CA Immo's sustainable cash flow (FFO I), the generation of an attractive return on equity and the implementation of a comprehensive agenda for sustainable business operations in support of the European Union's climate and environmental goals are key objectives in the implementation of the strategy.

#### **Attractive dividends**

CA Immo has positioned itself as a dividend payer with the long-term objective of offering shareholders attractive payouts on a regular basis. The long-term, stable profitability of lettings business is a critical indicator of the company's capacity to pay a dividend, which should be gradually raised by means of the measures outlined above.

#### **Investment grade as a strategic component**

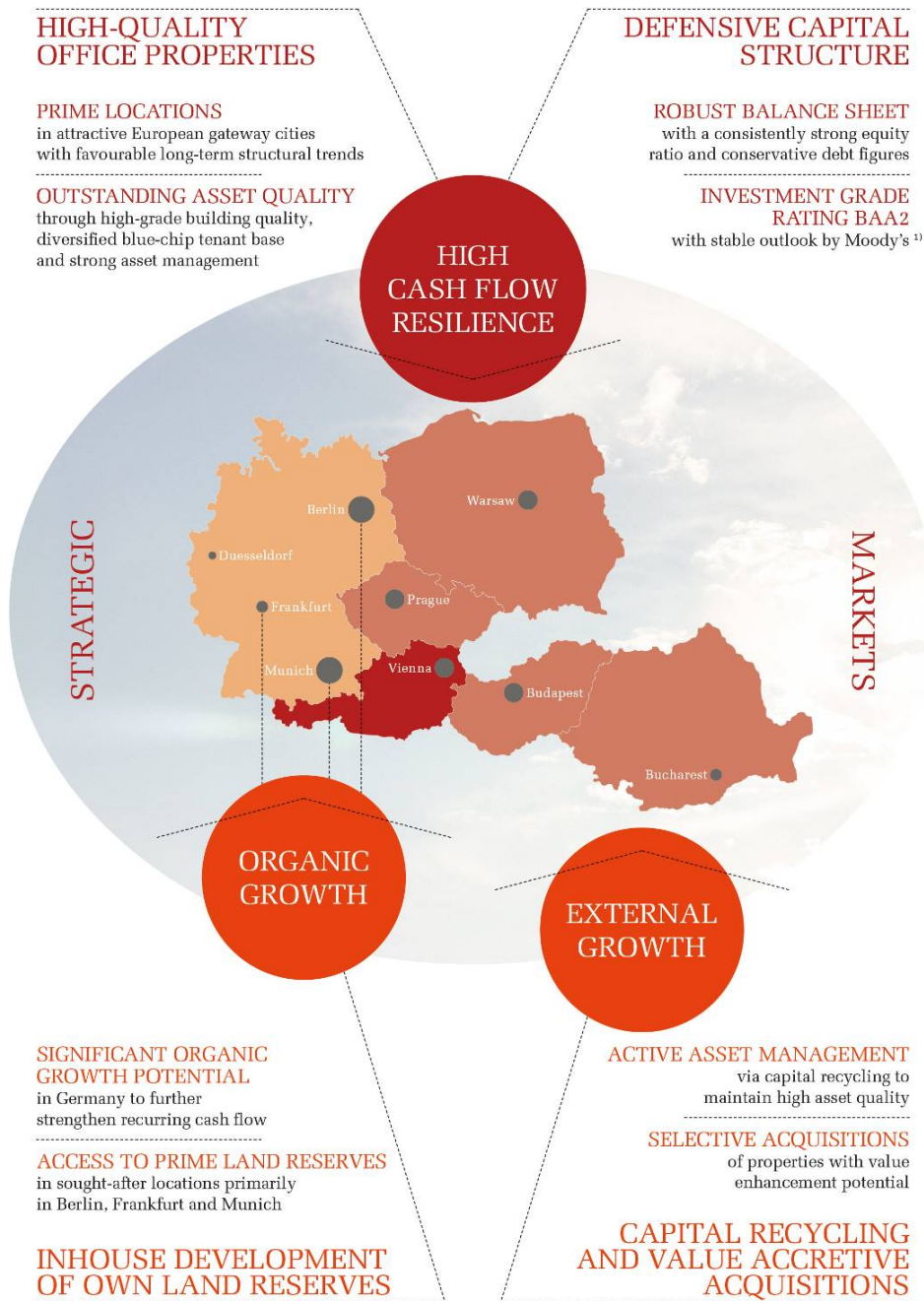
In December 2015 Moody's Investors Service, the international rating agency, classified CA Immobilien Anlagen AG with a Baa2 investment grade (long-term issuer)

rating with a stable outlook following a comprehensive analysis of creditworthiness. The key indicators for obtaining and retaining the investment grade rating, which is of high strategic significance to CA Immo, are primarily a strong balance sheet with low gearing, recurring earnings power, an associated solid interest coverage ratio and a sufficiently large quota of unsecured properties.

#### **Strategic sustainability initiative: Tomorrow Proof by CA Immo**

Under the motto "Tomorrow Proof by CA Immo", CA Immo is pursuing a group-wide project to define and manage its strategic sustainability activities. The aim of this initiative is to support the general transition to a sustainable economy and to contribute to limiting global warming to below 2° Celsius. Key elements of this project include reducing the carbon footprint of the building stock and increasing the resilience of the portfolio to climate risks (for details see ESG report).

CA IMMO BUSINESS MODEL



<sup>1)</sup> When the core shareholder Starwood Capital made an anticipatory mandatory offer to the shareholders and owners of convertible bonds of CA Immo, the rating agency placed the rating 'under review for downgrade' as well as the outlook to 'under review' (refer to section "Financing").



# SUSTAINABILITY REPORT 2020

NEO  
Munich

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CA Immo is an investor, developer and long-term holder of high-quality office buildings. Our strategic business model is geared towards sustainable value creation, taking into account ecological, economic, social and legal dimensions. This goes hand in hand with our claim to meet the diverse interests and needs of CA Immo stakeholders in a targeted and responsible manner, thereby securing competitiveness in the long term. With this in mind, we evaluate and manage the requirements of our stakeholders as well as the impact of our business activities on our ecological and social environment. This report shows our strategic positioning, goals and action plan on the topic of sustainability and provides an overview of corresponding activities in 2020.

#### Integrated Sustainability Reporting

CA Immo is not obliged to prepare a consolidated non-financial report in accordance with section 267a of the Austrian Commercial Code (Nachhaltigkeits- und Diversitätsverbesserungsgesetz, or NaDiVeG). As a public interest entity, we nevertheless voluntarily prepare a corresponding report.

In order to prepare our sustainability topics as clearly as possible and in an internationally comparable manner, we base our reporting on two common international standards: the **EPRA Sustainability Best Practice Recommendations 3rd Edition (sBPRs)** and the recommendations of the **Task Force on Climate Related Financial Disclosures (TCFD)**. An overview of all sustainability topics integrated into the annual report in accordance with these standards can be found in the appendix starting on page 53, including the corresponding page references and definition of the report boundaries.

The **EPRA sBPR Guidelines** provide – based on the standards of the Global Reporting Initiative (GRI) – a consistent method for the comparable presentation of the sustainability performance of real estate companies and cover the categories environment, social and governance (ESG). The **TCFD recommendations** stand for consistent disclosure of climate-related financial risks.

Furthermore, in the 2020 financial year, we collected and explained for the first time the **Sustainable Development Goals (SDGs) of the United Nations**, which are taken into account in our sustainability strategy.

From the 2021 financial year, the **EU Taxonomy Regulation** will set an important standard for future sustainability reporting. The topics and approaches of this regulation have already been taken into account in the preparation of our ESG materiality analysis.

#### Reporting boundaries and coverage

A detailed definition of the reporting boundaries and -methodology can be found in the ESG Appendix from page 54.

#### Reporting: Status and Outlook

In the 2019 business year, CA Immo began to expand its sustainability reporting in line with the EPRA sBPR recommendations. In September 2020, we reached a first milestone in this initiative, when our sustainability report, which is integrated into the 2019 annual report, was awarded an EPRA sBPR Gold Award for the first time as well as an EPRA sBPR Most Improved Award. The goal for the coming reporting periods is to further expand our reporting in line with international standards, best practice examples and the requirements of our stakeholders.



In the 2020 business year, CA Immo actively reviewed and commented on diverse ESG ratings, including the ISS ESG Corporate Rating, Climate Disclosure Project (CDP) and MSCI ESG Rating.

Moreover, we were ranked in the VÖNIX sustainability index of the Vienna Stock Exchange for another consecutive year. The aim of these reporting and rating activities is to optimise the transparency and comparability of our sustainability performance. Opportunities that present themselves in the form of more favourable green bond issuing conditions are to be used more intensively in the future to optimise our financing structure. As part of the planned expansion of sustainability reporting, the canon

of ESG rating reviews relevant to CA Immo is also to be expanded and both the quantity and quality of the information submitted to the rating agencies further increased.

### Third-party verification

The contents of this sustainability report have not been verified by independent third parties. The audit of the financial statements by the auditor only checked whether the necessary non-financial information has been disclosed. No statement was made about the quality of the disclosed data.

### Stakeholder dialogue and engagement

The interests and concerns of our stakeholders shape our self-image and guide our strategic decisions. Intensive dialogue with our diverse stakeholder groups helps us to understand their needs and to tailor our actions accordingly. Details on our activities in this regard can be found in the Corporate Governance Report on page 36.

### Corporate culture and awareness raising for sustainability

In 2019, CA Immo launched a Group-wide project to define and manage its strategic sustainability activities under the motto "Tomorrow Proof by CA Immo".



The goals, framework conditions, measures and milestones of the project were presented several times at management meetings. In parallel with the expansion of external reporting, the internal communication of sustainability topics and activities is also to be intensified in 2021, among other things through the formation of further working groups and virtual training sessions.

### Organisational anchoring and management of sustainability issues

Information on the organisational anchoring, internal control and steering processes of sustainability issues as well as the responsibility of the Management Board in this context can be found in the Corporate Governance Report from page 31.

### Relevance and priorities of CA Immo sustainability reporting

To ensure that sustainability reporting and strategy follows the right priorities, CA Immo carried out an analysis for the first time in the 2020 business year to determine the key sustainability issues. A corresponding list of topics was drawn up on the basis of the reporting of relevant competitors, regulations and sustainability standards as well as an internal analysis of the impact of CA Immo's business activities on the environment, society and the economy.

The materiality analysis of this range of topics was subsequently carried out taking into account three dimensions: business relevance ("outside-in")<sup>1)</sup>, the significance of the impact of our business activities ("inside-out")<sup>2)</sup> and a stakeholder assessment. Nearly the entire second management level of CA Immo was actively involved in this analysis process. In the course of the stakeholder survey, all CA Immo employees were invited to prioritise the individual topics from their own point of view; the participation rate was around 50%. A corresponding topic assessment from the perspective of the other CA Immo stakeholder groups (including tenants, investors, banks) was carried out by their internal CA Immo contacts.

The results of this three-dimensional materiality analysis are presented below in the form of a matrix. The six focus topics derived from this (strongest impact on the environment, society and economy, while at the same time having a high stakeholder relevance) define the framework within which CA Immo can make a relevant contribution to a sustainable economy – and the associated key risks and opportunities. They subsequently determine the focus of ongoing sustainability reporting, strategic objectives and operational measures. The reporting on the focus topics is marked by the corresponding symbols. The sustainability topics included in addition to the focus topics in the matrix below are also covered in our reporting, sometimes in less detail.

<sup>1)</sup> Impact of the environment, society and the economy on the business model, strategy and financial position of CA Immo

<sup>2)</sup> Impact of CA Immo on the environment, society and the economy

Due to the current dynamic developments in relation to ESG issues, both the regulatory environment and stakeholder needs, the materiality matrix will in future be subject to a comprehensive reassessment at least every two years.

**Social, environmental and economic impacts, risks and opportunities arising from CA Immo business activities**

A key step in identifying and weighting the sustainability issues relevant to CA Immo was to evaluate the impact of our business activity on the environment, society and the economy across the entire value chain. This included the following direct (own activities) and indirect (supply chain) material impacts, risks and opportunities.

**Environment:**

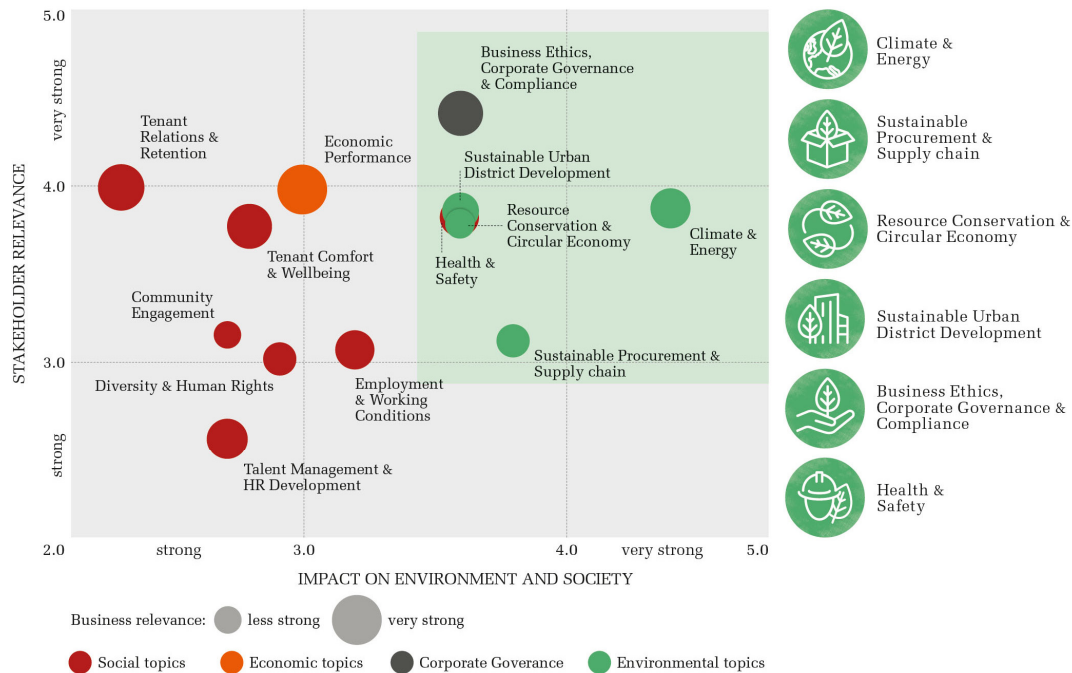
– Environmental standards in project development (energy efficiency and CO<sub>2</sub> emissions in the construction process as well as product definition, material selection, resource consumption and circular economy)

– Brownfield vs. greenfield development (biodiversity)  
 – Management of energy efficiency and CO<sub>2</sub> emissions, waste generation and water consumption in building operations.

**Society and economy:**

– Social standards in urban district and project development (product definition, e.g. social infrastructure, affordable housing), response to social change  
 – Health and safety for tenants, contractors and own employees in building operations and on construction sites, dealing with pandemic risks  
 – Working conditions and income effects of own and external employees (contractors), employee rights, staff development and retention  
 – Independent and responsible corporate governance, compliance with social and environmental requirements, observance of human rights, avoidance of corruption and bribery, reputational risk.

CA IMMO SUSTAINABILITY MATERIALITY MATRIX AND FOCUS AREAS



The diagram shows an overview of the relevant CA Immo sustainability topics according to their impact intensity on the environment, society and the economy (horizontal axis) and stakeholder relevance (vertical axis). The relevance to the company's success is reflected in the size of the circular areas. The coloured area indicates the CA Immo focus areas (equally high impact and stakeholder relevance).

### UN Sustainable Development Goals (SDGs)

As a top player in the European real estate sector, CA Immo supports the Sustainable Development Goals (SDGs)<sup>1)</sup> of the United Nations (see graphic). Our positioning and activities are in line with the SDGs; the most important fields of action are listed in the table on page 12 and explained in overview form.

### Memberships

CA Immo is actively involved in the relevant platforms of the real estate industry and contributes to further development and research in the real estate sector through its memberships and cooperations. As an active member, it has for many years supported organisations that

– promote sustainable urban and project development, e.g. the German Sustainable Building Council (DGNB) or the Urban Land Institute (ULI)

– publicly represent and standardise relevant topics and concerns of the real estate industry, e.g. the European Public Real Estate Association (EPRA), the Zentraler Immobilien Ausschuss (ZIA) or the Initiative Corporate Governance (ICG). In 2020, CA Immo joined the ESG Circle of Real Estate (ECORE)<sup>2)</sup> and participated in the development of a European scoring standard which is intended to make sustainability in real estate portfolios transparent, measurable and comparable.

The aim of this commitment is to strengthen long-term competitiveness at both operational and corporate level through innovation, best practice and cross-company cooperation (see also the section on research and development). A complete list of all CA Immo memberships can be found on our Group website at [www.caimmo.com/membership](http://www.caimmo.com/membership).









## SUSTAINABLE DEVELOPMENT GOALS



<sup>1)</sup> <https://www.sdgwatch.at/en/about-sdgs/>

<sup>2)</sup> [www.ecore-scoring.com](http://www.ecore-scoring.com)

FOCUS AREAS OF CA IMMO IN THE CONTEXT OF INTERNATIONAL SUSTAINABILITY INITIATIVES

Focus Area	Description	Main topics of the EU Taxonomy Regulation	UN Sustainable Development Goals (SDGs)
<p><b>Climate &amp; Energy</b></p>	<p>We want to contribute to keeping global warming below 2° Celsius. Therefore, we have set ourselves the goal of reducing the energy consumption and CO<sub>2</sub> footprint in the construction and operation of our buildings and increasing the resilience of our portfolio to climate risks. By raising awareness among our tenants, employees and suppliers, we aim to promote climate and environmentally friendly behaviour within our sphere of influence.</p>	<p>– Climate Change Mitigation – Climate Change Adaptation</p>	
<p><b>Sustainable Procurement &amp; Supply Chain</b></p>	<p>We develop office and hotel properties exclusively according to high sustainability standards. We ensure compliance with the associated requirements for sustainable procurement in the supply chain through a wide range of environmental and social requirements for contractors and suppliers.</p>	<p>– Pollution</p>	
<p><b>Resource Conservation &amp; Circular Economy</b></p>	<p>We take initiatives that lead to reduced resource consumption, the reuse and recycling of materials and waste in the construction, operation and refurbishment of buildings.</p>	<p>– Circular Economy – Water</p>	
<p><b>Sustainable Urban District Development</b></p>	<p>We specialise in the environmentally friendly revitalisation of old inner-city sites (brownfield development). In doing so, we pay attention to the protection of biodiversity and create mixed-use urban neighbourhoods with sustainable infrastructure and a high quality of life that are attractive, inclusive and accessible.</p>	<p>– Ecosystems</p>	 
<p><b>Business Ethics, Corporate Governance &amp; Compliance</b></p>	<p>Responsible corporate governance and compliance with socially, environmentally and economically relevant requirements form the basis of our business activities. We are committed to strengthening workers' rights, preventing human rights abuses and acting in accordance with the principles of non-discrimination, equal opportunities and zero tolerance of corruption and bribery throughout our sphere of influence.</p>	<p>– Human Rights – Workers' rights – Fight against corruption</p>	 
<p><b>Health &amp; Safety</b></p>	<p>We create safe, healthy and attractive working environments for tenants, employees and service providers – both in building operations and in project development. We support our employees and pay attention to their needs, health and individuality.</p>		

### CA Immo Sustainability Agenda: Goals, principles and measures

Our sustainable business agenda summarises all current key corporate objectives, principles and actions in the context of our focus areas. With this programme, CA Immo wants to actively contribute to achieving the

climate and environmental goals defined by the European Union (climate neutrality by 2050) and the general transition to a sustainable economy.

Supplementary tables and information according to EPRA, TCFD and NaDiVeG standards can be found in the ESG Appendix from page 53.

### CA IMMO AGENDA FOR SUSTAINABLE BUSINESS OPERATIONS

Focus areas	Targets & Principles	Measures
<b>Climate &amp; Energy</b>	<ul style="list-style-type: none"> <li>–Reduction of average CO<sub>2</sub> emissions in building operation (avoid avoidable emissions, compensate for unavoidable emissions)</li> <li>–Reduction of energy consumption of the investment portfolio (reduce avoidable emissions)</li> <li>–Increase the climate resilience of the portfolio</li> </ul>	<ul style="list-style-type: none"> <li>– 100% electricity from renewable energy sources in the existing portfolio by 2023 (purchased from the landlord)</li> <li>– Compensation of CO<sub>2</sub> emissions in building operation through the purchase of certificates for electricity and gas purchased from the landlord</li> <li>– Development of a green lease strategy to increase the share of renewable electricity (purchased from the tenants) in the investment portfolio</li> <li>– Digital measurement of energy key figures for 100% of the multi-tenant office portfolio by 2025</li> <li>– Active energy management and energy optimisation of the investment portfolio</li> <li>– Development of all new office and hotel buildings according to at least DGNB Gold or LEED Gold certification standard</li> <li>– Definition of a Group-wide standard for sustainable project development based on tenant needs and the EU Taxonomy Regulation</li> </ul>
<b>Sustainable Procurement &amp; Supply Chain</b>	<ul style="list-style-type: none"> <li>–Social and environmental requirements in CA Immo Procurement Directive</li> </ul>	<ul style="list-style-type: none"> <li>– Obligation of all construction service providers to comply with the sustainability standards according to DGNB Gold or LEED Gold (e.g. material declaration, worker protection)</li> </ul>
<b>Resource Conservation &amp; Circular Economy</b>	<ul style="list-style-type: none"> <li>–Increase the share of recycled/recyclable waste</li> <li>–Reduction of water consumption</li> </ul>	<ul style="list-style-type: none"> <li>– Implementation of an active waste management system and water consumption monitoring in building operations</li> <li>– Green lease contracts for optimisation of waste separation</li> </ul>
<b>Sustainable Urban District Development</b>	<ul style="list-style-type: none"> <li>–Clear focus on brownfield developments (revitalisation of old sites)</li> </ul>	<ul style="list-style-type: none"> <li>– 100% of all buildings currently developed by CA Immo are brownfield developments</li> <li>– Continuation of the strategic focus on revitalisation of old sites</li> <li>– Development of all new office and hotel buildings according to at least DGNB Gold or LEED Gold certification standard</li> </ul>
<b>Health &amp; Safety</b>	<ul style="list-style-type: none"> <li>– Avoiding accidents in buildings and on construction sites</li> <li>– Maintaining the long-term performance of own and external employees (tenants, contractors)</li> </ul>	<ul style="list-style-type: none"> <li>– Consideration of a wide range of measures for the health and comfort of future users already in the course of building planning and development (DGNB, LEED, WELL certification standards)</li> <li>– Standardised safety concepts on construction sites and in building operation</li> <li>– Comprehensive protective measures in the wake of the Covid-19 pandemic</li> <li>– Occupational health care, flexible working time models</li> </ul>

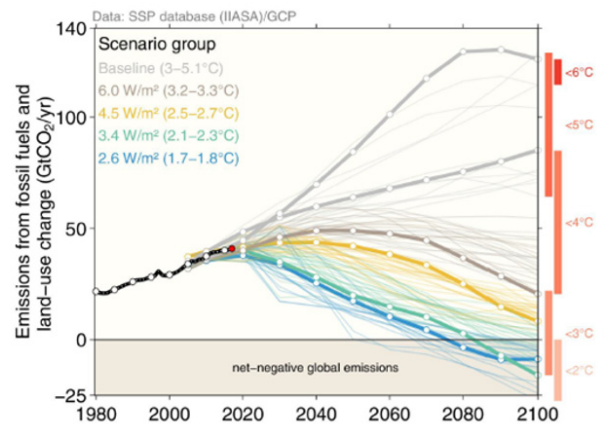
## ENVIRONMENT

CA Immo wants to make a contribution to keeping global warming below 2° Celsius and protecting the environment. We have therefore set ourselves the goal of reducing the carbon footprint of our buildings, increasing the resilience of our portfolio to climate risks and evaluating and, if necessary, intensifying the measures we have taken to date to protect the environment.

### 1. CLIMATE RISKS AND OPPORTUNITIES

Climate change and its consequences for our environment are a global threat, the manifold effects of which are already being felt in many countries today. The future societal, climate policy and technological developments associated with climate change are subject to a high degree of uncertainty, as is the speed at which this process of change will take place. Much will depend on how sensitive the climate system is to changes in greenhouse gas emissions, and how much higher levels of warming will actually affect our environment and how quickly individual countries and societies adapt their environmental behaviour.

Although global CO<sub>2</sub> emissions in 2020 are estimated to have decreased by around 7% from the previous year due to the Covid-19 constraints<sup>1)</sup>, a halving of emissions by 2030 is needed to limit global warming to 1.5° Celsius<sup>2)</sup>. The graph on the top right shows a scenario analysis for the development of global CO<sub>2</sub> emissions and the resulting global warming by 2100.



Source: Global Carbon Project

Scenario analysis for global climate warming

### The role of the real estate sector in the fight against climate change

Overall, buildings in the EU are responsible for 40% of energy consumption and 36% of direct and indirect greenhouse gas emissions, mainly through construction, use, renovation and demolition. Around 75% of buildings in Europe are considered inefficient and only 0.4 to 1.2% of the building stock is renewed annually.<sup>3)</sup> Stricter energy standards for buildings, higher energy refurbishment rates and technological change (e.g. more intensive use of renewable energy sources such as heat pump technologies) are key components to achieve the EU climate targets.

### CA Immo climate risks and opportunities

The analysis of specific climate risks for our business is extremely complex and involves a number of unknown variables. In 2020, we reviewed our general risk catalogue for completeness in this regard and partially supplemented and evaluated the climate risks relevant to our business as well as general sustainability risks. In future, these risks will be re-evaluated and assessed annually and approved by the Management Board. If the assessments reveal the need for additional measures or changes in strategy, these are subsequently implemented accordingly by the responsible departments. CA Immo pursues a proactive approach to ensure that any risks are minimised through early countermeasures and that the company can react to any changes in good time.

<sup>1)</sup> Global Carbon Project, Global Carbon Budget 2020

<sup>2)</sup> Global Carbon Project, Global Carbon Budget 2019, IPCC Special Report on “Global Warming of 1.5°C”

<sup>3)</sup> [https://ec.europa.eu/info/news/focus-energy-efficiency-buildings-2020-feb-17\\_en](https://ec.europa.eu/info/news/focus-energy-efficiency-buildings-2020-feb-17_en)



Human-induced climate change represents a risk that unfolds on two levels. In assessing the specific climate risks for CA Immo, we have used these levels for classification purposes:

– **Physical risks:** Direct, physical damage to property, plant and equipment due to the changing climate, triggered by extreme weather events (acute risks) or continuous climate change such as rising sea levels or higher temperatures (chronic risks).

– **Transition risks:** Economic risks triggered by the transition to a low-carbon economy. This risk group includes regulatory risks (as a result of new or stricter legal regulations) and risks due to changes in the market, demand and technologies (market and competition risks) or loss of reputation (reputation risk).

#### PHYSICAL RISKS

Type of risk	Group	Probability	Time horizon <sup>1)</sup>	Potential financial impacts	Action and strategic precaution
Natural disasters and extreme weather events	Acute	High	Short	<ul style="list-style-type: none"> <li>– Physical damage and deterioration of buildings (possibly enhanced by high portfolio concentration within a city)</li> <li>– Delivery delays and material shortages (interrupted supply chains)</li> <li>– Interruption of production or operations</li> </ul>	<ul style="list-style-type: none"> <li>– Ongoing control, maintenance and servicing of the buildings</li> <li>– Forward-looking project development and high building quality of the CA Immo portfolio increase the resilience of the existing portfolio</li> </ul>
Gradual changes in temperature and precipitation, rising sea level	Chronic	High	Long	<ul style="list-style-type: none"> <li>– Changes in raw material and input prices</li> <li>– Higher energy consumption and operating costs for buildings (e.g. due to increase in cooling demand)</li> <li>– Higher maintenance and construction costs to make buildings climate resilient</li> <li>– Increase of insurance premiums or no insurance coverage possible</li> </ul>	<ul style="list-style-type: none"> <li>– CA Immo does not currently hold any buildings in coastal regions or flood areas</li> <li>– Risk prevention, e.g. through flood protection concepts in buildings in river locations and improved drainage systems</li> <li>– Implementation of efficient cooling and sun protection systems</li> </ul>

<sup>1)</sup> Time horizon: Short: 0-1 year, Medium: 1-5 years, Long: more than 5 years

TRANSITION RISKS

Type of risk	Probability	Time horizon <sup>1)</sup>	Potential financial impacts	Action and strategic precaution
<b>Regulatory risks</b>				
Stricter targets and legislation on decarbonisation, energy efficiency and adaptation to climate change	High	Medium	<ul style="list-style-type: none"> <li>- Higher construction costs due to increasing requirements for energy efficiency of buildings and CO<sub>2</sub>-neutral construction process</li> <li>- Higher investments in energy retrofitting/refurbishment of the building stock</li> <li>- Compliance costs (penalties, levies)</li> <li>- Increased taxes and/or loss of subsidies</li> </ul>	<ul style="list-style-type: none"> <li>- Investments in energy retrofitting/refurbishment of the building stock</li> <li>- Forward-looking project development and high building quality of the CA Immo portfolio increase the resilience of the existing portfolio</li> <li>- Targeted energy and sustainability management</li> <li>- Buildings developed by CA Immo exceed current energy efficiency and environmental protection requirements (stay ahead of regulation)</li> </ul>
<b>Market risks</b>				
Pressure from the capital market to reduce CO <sub>2</sub> emissions	High	Short	<ul style="list-style-type: none"> <li>- Declining share price (loss of reputation)</li> <li>- Higher financing costs, reduced availability of debt capital</li> </ul>	<ul style="list-style-type: none"> <li>- Transparent sustainability reporting</li> <li>- In 2020, CA Immo successfully issued its first Green Bond. This ecological financing strategy is to be further expanded in the future</li> </ul>
Change in market demand toward energy-efficient buildings (changing tenant needs)	High	Medium	<ul style="list-style-type: none"> <li>- Decreasing real estate values</li> <li>- Poorer marketability</li> <li>- Lower rent levels, lower rental income (stranding risk)</li> </ul>	<ul style="list-style-type: none"> <li>- At present, there are hardly any explicit environmental requirements on the part of our tenants; an intensification of demand towards sustainable buildings is foreseeable</li> <li>- CA Immo has a high-quality portfolio with a high proportion of sustainability certifications</li> <li>- Buildings developed by CA Immo exceed current energy efficiency and environmental protection requirements</li> </ul>
<b>Reputational risks</b>				
Attractiveness as an employer, stakeholder trust	High	Short	<ul style="list-style-type: none"> <li>- Competitive disadvantages due to high employee turnover</li> <li>- Disadvantages in the fight for the best brains</li> </ul>	<ul style="list-style-type: none"> <li>- Responsible business model with clear commitment to sustainability and climate protection brings clear advantages in recruiting</li> <li>- Transparent sustainability reporting creates trust and strengthens loyalty</li> </ul>

<sup>1)</sup> Time horizon: Short: 0-1 year, Medium: 1-5 years, Long: more than 5 years

## CLIMATE OPPORTUNITIES

Opportunities	Potential financial impacts	Action and strategic precaution
<b>Resource efficiency:</b> More efficient buildings	<ul style="list-style-type: none"> <li>- Lower operating costs through efficiency gains, reduced water and energy consumption</li> <li>- Higher value of the portfolio</li> </ul>	<ul style="list-style-type: none"> <li>- Sustainability certifications and high building quality of the CA Immo portfolio increase the resilience of the existing portfolio</li> <li>- Active energy management and energy optimisation of the existing portfolio</li> <li>- Implementation of all new office and hotel buildings to at least DGNB Gold or LEED Gold certification standard</li> </ul>
<b>Energy source:</b> Use of renewable or low-emission energies	<ul style="list-style-type: none"> <li>- Low dependency on future fossil fuel price increases through efficiency improvements, use of renewable energy and low-emission technologies for property operation</li> <li>- Possibility of using political incentives for a low-emission economy (public money, public funding, etc.)</li> </ul>	<ul style="list-style-type: none"> <li>- 100% electricity from renewable energy sources in existing portfolio by 2025 (purchased by the landlord)</li> <li>- Definition of a standard for sustainable project development based on tenant needs and the EU Taxonomy Regulation</li> </ul>
<b>Products and services:</b> Green buildings	<ul style="list-style-type: none"> <li>- Reputation gain due to higher demand for products/services with low emissions ("green buildings")</li> <li>- Competitive advantage through rapid adaptations of the building stock (modern technologies and innovation to optimize energy efficiency and reduce emissions)</li> <li>- Competitive advantage through transparent and future-oriented environmental reporting</li> </ul>	<ul style="list-style-type: none"> <li>- CA Immo has a high-quality portfolio with a high proportion of sustainability certifications</li> <li>- Buildings developed by CA Immo exceed current requirements for energy efficiency and environmental protection</li> <li>- Since 2011, CA Immo has developed all new office and hotel buildings to at least DGNB Gold or LEED Gold certification standard</li> <li>- Evaluation of the use of findings from project development for GHG emission reduction in the existing building stock</li> <li>- Transparent sustainability reporting</li> </ul>
<b>Markets:</b> New business areas, target groups and financing opportunities	<ul style="list-style-type: none"> <li>- Increased revenue, competitive advantage through access to new and emerging markets</li> <li>- Green bond issues: Lower financing costs, better availability of debt capital</li> </ul>	<ul style="list-style-type: none"> <li>- Responsible business model with clear, early commitment to sustainability and climate protection brings extensive competitive advantages in customer and investor relations</li> <li>- CA Immo successfully issued its first Green Bond in 2020. This ecological financing strategy is to be expanded further in the future</li> </ul>
<b>Resilience</b>	<ul style="list-style-type: none"> <li>- Increased market valuation due to resilience planning (e.g. infrastructure, location, building condition)</li> <li>- Lower maintenance costs and costs for refurbishment due to high building resilience</li> </ul>	<ul style="list-style-type: none"> <li>- Clear strategic commitment to high-quality core products in resilient, inner-city metropolitan locations</li> </ul>

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## 2. GROUP LEVEL

CA Immo's commitment to climate and environmental protection applies at both operational and Group level. We can make a contribution here by reducing our air travel and the CO<sub>2</sub> emissions of the company cars we provide to employees. With this in mind, we are increasingly offering employees the opportunity to use electric or hybrid vehicles as company cars and are step by step installing electric charging stations in our own buildings, which can be used by both tenants and employees. As at 31 December 2020, a total of 154 electric charging stations were available in CA Immo office buildings across the Group. Of these, 58 charging stations were newly installed internationally in 2020. The company cars locally available to all CA Immo employees at short notice (pool cars) are to be gradually converted to electric vehicles in the coming years.

Our travel policy also stipulates that employees use rail instead of air travel wherever possible and that international meetings are held virtually. Through further activities such as the promotion of the BahnCard or job tickets for local public transport, we want to encourage our employees to switch from car to public transport.


In 2020, as part of the switch to purchasing green electricity and gas for all CA Immo multi-tenant buildings, the supply of energy from renewable energy sources for CA Immo offices used by the company itself was also initiated (see page 19). In the course of this, emissions from the operation of our owner-occupied office space will also be offset in future by the purchase of certificates. An overview of water and energy consumption and the resulting CO<sub>2</sub> emissions as well as the waste generated in owner-occupied CA Immo office space can be found in the ESG Appendix (page 60).

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## 3. INVESTMENT PROPERTIES

CA Immo holds international investment properties of many different kinds at many stages of the property lifecycle. Around 90% of the building stock<sup>1)</sup> is office property, a large proportion of which contains several rental units each (multi-tenant buildings). In order to ensure the longest possible value retention, marketability and comprehensive sustainability of all properties, CA Immo relies on integrated quality and sustainability management.

### Group-wide Energy Management

 CA Immo continuously collects and analyses the international consumption data and the CO<sub>2</sub> emissions generated by heat and electricity consumption of its office portfolio (see table below and EPRA table in the ESG Appendix). This data flows into the portfolio monitoring, on the basis of which decisions on maintenance measures are made. The facility management contracts of CA Immo properties include extensive standard services for energy management with the aim of further expanding data collection and continuously improving the energy management of the properties.

In 2019, the average **CO<sub>2</sub> emission intensity** (annual CO<sub>2</sub> emissions per sqm rentable area) of the CA Immo office portfolio based on energy consumption procured by the landlord (Scope 1+2, excluding tenant electricity) was reduced by around 12% compared to the previous year. This reduction is based on a year-on-year decrease in all energy consumption values of the overall portfolio in 2018 and 2019 (–10% electricity consumption like-for-like, procured by the landlord; –3% fuels consumption like-for-like; –3% energy consumption from district heating like-for-like). Total average energy intensity (electricity, gas and district heating purchased by CA Immo excluding tenant electricity per sqm rentable area) fell by 6% year-on-year.

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<sup>1)</sup> By book value

As the consumption data for 2020 was not yet available in full at the time of reporting, the energy consumption and the CO<sub>2</sub> emission data based on it shown in the table below for 2020 are provisional estimates. According to this projection, the trend towards lower average energy

consumption across the entire CA Immo portfolio should continue as the portfolio continues to grow. Lower consumption due to the Covid-19-related reduction in office use in 2020 was taken into account here (see extrapolation methodology in the ESG Appendix on page 54-55).

#### ENERGY CONSUMPTION DATA AND CO<sub>2</sub>-FOOTPRINT OF THE CA IMMO OFFICE PORTFOLIO <sup>1)</sup>

	EPRA Code	Boundaries	Unit of measure	2018	2019	% change	2020 (estimated) <sup>2)</sup>	% change
Building energy intensity (excl. tenant electricity)	Energy-Int	Common areas + shared services	kWh/sqm/a	187	177	-5.5	144	-18.7
Building GHG emissions intensity (Scope 1+2)	GHG-Int	Common areas + shared services	kgCO <sub>2</sub> e/sqm/a	52.4	46.3	-11.6	36.9	-20.3
Gross Leasable Space (GLA)		Whole building	sqm	940.605	1.067.523	13.5	1.072.216	0.4
Number of Properties		Whole building	number	48 of 48	54 of 54	12.5	55 of 55	3.7

<sup>1)</sup> Information on reporting boundaries and analysis methodology of the consumption values can be found in the ESG Appendix from page 54 onwards. The consumption data shown (and the resulting emissions) include the electricity purchased by CA Immo for common areas and energy for heating and cooling throughout the building. Electricity purchased directly by tenants or centrally by CA Immo for tenants' areas (recorded via submetering) is excluded, as consumption values for tenant electricity are not available for all buildings. A detailed table of energy consumption and emission values of the CA Immo office portfolio in accordance with EPRA Best Practice Recommendations can be found in the ESG Appendix from page 56 onwards.

<sup>2)</sup> The energy consumption and emission data for 2020 are preliminary estimates, as the consumption data for 2020 was not yet fully available at the time of reporting. Information on the extrapolation mode can also be found in the ESG Appendix from page 54.

In order to enable even more detailed and timely energy monitoring in the future, including the analysis of weak points, the development of a Group-wide, digitally supported energy management system is planned. Through the continuous conversion to smart meters (digital meters) and the implementation of an energy data management software, an effective monitoring and controlling of the current consumption and emission data is to be established. Corresponding tenders and negotiations have started in 2020, and the nationwide introduction of digital meters is expected to take place in Germany and Austria in 2021.

#### Climate & Energy: Reduction of carbon emissions through conversion of building operations to green energy



The national bundling and Group-wide conversion of energy procurement to CO<sub>2</sub>-neutral, renewable energy sources was initiated in 2020. The country-specific contracts cover the period 2020-2025 and include the purchase of green electricity and climate-neutral gas for all common areas and landlord-provided shared services (e.g. cooling, heating) in our multi-tenant portfolio as well as the electricity supply in our own-used CA Immo offices. As all tenant electricity in the CEE countries of Hungary, Romania, Poland and the Czechia

is purchased centrally by CA Immo, the contracts in these countries also include all tenant electricity.


If the local availability of green electricity and gas is not 100%, remaining CO<sub>2</sub> emissions will be offset by the purchase of certificates. Through centralised purchasing, we expect cost savings of around € 2 m by the end of 2025, which we will pass on in full to our tenants. In the same period, the conversion of CA Immo building operations to green electricity and gas should bring about an estimated reduction in CO<sub>2</sub> emissions of around 280,000 t across the Group.

The award of the electricity and gas supply contracts for the German and Austrian portfolio was completed in July and November 2020, respectively, and the supply of the Austrian and Polish buildings has been switched to green electricity since 1 January 2021. The tenders for the remaining CEE countries are currently underway – the conclusion of the outstanding gas and electricity supply contracts is expected for the end of the first quarter of 2021. The conversion of real operations to green electricity and CO<sub>2</sub>-neutral gas will take place after the current energy contracts expire and should be completed by the end of 2023.

At the end of the past business year, CA Immo also initiated the optimisation of district heating contracts for its building portfolio with the aim of also reducing the CO<sub>2</sub> emissions caused by this energy source and realising cost savings at the same time. Negotiations with suppliers will continue in 2021.


CA Immo has set itself the goal of working with its tenants to minimise the environmental impact of building operations. In the CEE countries Hungary, Romania, Poland and the Czechia, all tenant electricity is purchased centrally by CA Immo. In Austria and Germany, however, our tenants are responsible for concluding electricity contracts and deciding whether to purchase "green" or "grey" electricity. As part of Group-wide energy procurement, framework agreements were negotiated in 2020 that will enable tenants also in these regions to participate in CA Immo's green electricity purchases in future. In order to reduce the CO<sub>2</sub> emissions of the entire buildings, including tenant electricity, in our Austrian and German portfolio as well, CA Immo is focusing on raising awareness among its tenants and **green lease agreements**. Corresponding contractual components are being drawn up and will be rolled out to new and existing leases in the coming years.

**Climate & Energy: Energetic and climate-friendly modernisation of investment properties**

 In order to sustainably optimise the energy efficiency of its portfolio, CA Immo is implementing the following measures, among others:

- Replacing old pumps with energy-saving high-efficiency pumps
- Replacing conventional lighting with LED technology with modern sensors
- Motion detectors in common and adjoining rooms for better lighting control
- Installation of heat recovery in ventilation systems
- Modernisation and system improvements, e.g. in heating and cooling control (modernisation of inefficient cooling media) and electrical systems
- Extensive energy management to identify optimisation potentials of each individual building
- Installation of effective shading and cooling systems as well as flood protection systems in riverfront buildings to increase climate resilience (if required).

**Resource conservation and circular economy in building operations**

 Since 2018, CA Immo has been collecting and publishing data on water consumption and waste generation in its office buildings. As CA Immo organises water purchases centrally for all office buildings, water consumption data is available for all buildings included in the analysis (2019: 56 office buildings, see table below). In 2019, **water consumption intensity** (average annual water consumption per sqm) decreased by over 6% year-on-year (absolute water consumption like-for-like: -10.6%).

WATER CONSUMPTION AND WASTE RECYCLING QUANTITIES OF THE CA IMMO OFFICE PORTFOLIO <sup>1)</sup>

	EPR Code	Unit of measure	2018	2019	% change
<b>Building water consumption intensity</b>	<b>Water-Int</b>	<b>l/sqm/a</b>	<b>573.7</b>	<b>536.5</b>	<b>-6.5</b>
Gross leasable area (GLA)		sqm	954,825	1,094,571	14.6
Number of properties		Number	49 of 49	56 of 56	14.3
<b>Waste recycling</b>	<b>Waste-Int</b>	<b>Weight of waste by disposal route (%)</b>	<b>17</b>	<b>18</b>	<b>100bp</b>
Gross leasable area (GLA)		sqm	894,226	1,021,144	14.2
Number of properties		Number	47 of 49	52 of 56	10.6

<sup>1)</sup> Information on reporting boundaries and analysis methodology of the consumption values can be found in the ESG Appendix from page 54 onwards. All key figures refer to the entire building (boundaries). At the time of reporting, there was insufficient data for a meaningful estimate of the 2020 consumption values. Due to less frequent office use in 2020 in light of the Covid-19 pandemic, we expect a significant year-on-year decrease.

<sup>2)</sup> Proportion of total annual waste disposed of through reuse or recycling.

For 2019, the waste data for 52 of 56 office buildings could be collected. The recycling rate (incl. reuse) was 18%. In terms of efficient operating cost and sustainability management, our aim is to close the corresponding data gaps and optimise existing disposal and supply concepts. An evaluation process launched at the end of 2020 is intended to clarify the extent to which the implementation of an active waste management and water consumption monitoring system during ongoing building operation can improve data quality, increase the waste recycling rate and reduce water consumption over the coming years. In addition, green lease contracts should contribute to better waste separation

### Sustainability certification as objective proof of portfolio quality

Sustainable in-house project development for its own stock to enhance the quality of the investment portfolio has been an important component of CA Immo's sustainability strategy for many years (for details, please see page 22). In order to provide transparent, internationally comparable and objective proof of building quality across the entire portfolio, CA Immo also has strategic core investment properties certified.

In 2020, the certification process was completed for one office building in Belgrade as well as a hotel property in Frankfurt; one certified office building in Warsaw was acquired and added to the portfolio. On the other hand, a certified investment building (Zagrebtower) was sold. As at 31 December 2020, 43 office properties and 2 hotel properties have been certified according to DGNB, LEED or BREEAM standards (2019: 44 and 1, respectively). A further five investment buildings (four German project completions and one investment building in Warsaw) were in the certification process. By book value, around 69% of the total CA Immo portfolio (all asset classes; 2019: 73%) and 72% of the total office portfolio (2019: 81%) were certified. By rentable area, certified stock comprised some 67% of the total portfolio (2019: 63%) and 75% of the office portfolio (2019: 78%).

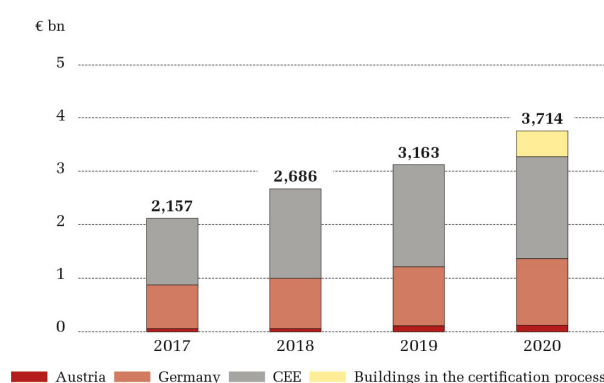
The book value of the certified property assets (all asset classes) was approximately € 3,265 m as at 31 December 2020 (31 December 2019: € 3,163 m); including the buildings in the certification process as at reporting date, the value was € 3,714 m.

### CERTIFIED PROPERTY ASSETS BY REGION <sup>1)</sup>

in € m	Total portfolio	Certified portfolio	Share of certified portfolio
Germany	2,229	1,246	56%
Austria	530	119	23%
CEE	2,011	1,901	95%
<b>Total</b>	<b>4,770</b>	<b>3,265</b>	<b>69%</b>

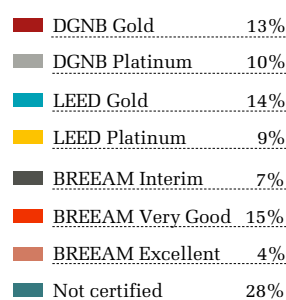
<sup>1)</sup> By book value. Basis: Properties 100% owned by CA Immo (fully consolidated).

### CERTIFIED PROPERTY ASSETS BY BOOK VALUE <sup>1)</sup>



<sup>1)</sup> Properties with main use type office + hotel 100% owned by CA Immo (fully consolidated).

### CERTIFICATES OF THE CA IMMO OFFICE PORTFOLIO (Basis: € 4.3 bn book value)



4. PROJECT AND URBAN DISTRICT DEVELOPMENT

**Sustainable urban district development**

CA Immo contributes to shaping the appearance of major cities such as Berlin, Frankfurt, Munich and Prague through property and district development. CA Immo specialists cover the entire value chain: From land preparation and participation in the master plan and the procurement of building rights (zoning), to the realisation of the surrounding infrastructure such as roads, squares, parks, playgrounds and ecological compensation areas to the construction and operation of new buildings. This results in mixed-use inner-city neighbourhoods with short distances and a high quality of life that provide access to safe green and public spaces and therefore are attractive, inclusive and accessible for city dwellers. Buildings developed by CA Immo are characterised by high technical and architectural quality, flexible use of space and low energy consumption.

**Sustainability certification for new developments**


Since 2011, CA Immo has been developing office and hotel properties in accordance with high sustainability standards (at least DGNB<sup>1)</sup> Gold or LEED<sup>2)</sup> Gold certification), taking into account the many years of experience gained from ongoing building operations. At the beginning of every project development there is a site-specific and target group-oriented product definition, which, among other things, defines the standard and the level of the sustainability certification. The corresponding minimum standards for ecological, socio-cultural and functional, technical, location and process quality are derived from this.

OVERVIEW SUSTAINABILITY STANDARDS OF PROJECTS UNDER CONSTRUCTION


City	Project	System	Category
Berlin	Hochhaus am Europaplatz	DGNB	Gold
Berlin	Grasblau	DGNB	Gold
Prague	Mississippi House	LEED	Platinum
Prague	Missouri Park	LEED	Platinum
Frankfurt	ONE	DGNB	Platin

In the course of the certification process, an external auditor accredited according to the respective standard (DGNB, LEED) accompanies the entire planning and construction process and ensures the implementation of the agreed sustainability criteria. The sustainability goals of the project are recorded in a pre-certificate based on the building design. Their implementation is checked by the certifier after completion of the building and is confirmed with the issuance of the final certificate.

**Sustainable Procurement & Supply Chain**

 CA Immo's procurement process ensures that the high ecological requirements are met in accordance with the certification standard provided for the projected building in each case (see above). All contractors (suppliers) are obliged to comply with the defined sustainability standards throughout the entire supply chain in the course of the award process.

**Resource Conservation & Circular Economy**

 In the course of its development projects CA Immo takes into account a wide range of and measures to conserve resources (design for circularity). Criteria such as responsible resource extraction, ease of deconstruction or the use of recycled materials are applied in many CA Immo project developments, insofar as this can be mapped in the context of the overall project.

The greatest possible flexibility and reversibility of use for a wide range of user requirements in terms of future office landscapes, conversion and repurposing are key requirements for every new new building, which are taken into account right from the planning phase. For example, the shell of the building is designed to be as future-proof as possible by keeping floor heights, depths and ceiling loads as neutral as possible in terms of use, and by taking into account occupancy reserves in the supply shafts. The aim is to enable a variety of flexible uses in the life cycle of the building and to avoid extensive conversion work in the course of the building's life cycle, including premature demolition.

Disposal logistics and recycling management for optimised waste separation are installed at all CA Immo construction sites. This includes daily waste collection, separation and disposal by external disposal logisticians. CA Immo's construction subsidiary omniCon is responsible for waste disposal logistics on construction sites in

<sup>1)</sup> [www.dgnb-system.de/de/gebaeude/neubau/kriterien/](http://www.dgnb-system.de/de/gebaeude/neubau/kriterien/)

<sup>2)</sup> [www.usgbc.org/leed/why-leed](http://www.usgbc.org/leed/why-leed)



Germany, while the Development department is responsible for this at all other locations.

### Sustainable urban district development: Brownfield development



Since taking over the German district developer Vivico Real Estate GmbH in 2008, CA Immo has been developing large inner-city sites that were previously derelict or used for industrial purposes into modern urban districts (brownfield development). As part of the revitalisation of these old (brownfield) sites, some of which have been used for industrial and commercial purposes for over 100 years and by Deutsche Bahn, specialists from CA Immo's construction subsidiary omniCon are implementing a wide range of measures to prepare and develop the land. This special brownfield development expertise of CA Immo covers the following environmental aspects of site preparation, among others:

- Technical site assessment: inventory of buildings, underground "old buildings", deconstruction
- Explosive ordnance risks and explosive ordnance clearance measurement
- Evaluation of contaminated site risks (soil, water, soil air); soil and groundwater remediation
- Evaluation of waste and disposal services
- Measures for the protection of biodiversity: nature conservation surveys of flora and fauna
- Species protection: relocation measures for protected animal species such as lizards, green toads and bats
- Creation of biotopes, green compensation areas
- Infrastructural development: construction of future public roads, paths, squares, playgrounds and parks.

### EXAMPLE OF SUSTAINABLE PROJECT DEVELOPMENT: MISSISSIPPI HOUSE AND MISSOURI PARK, PRAGUE



#### KEY FACTS

- New construction of two Class A office buildings with a total of approx. 20,700 sqm of rentable area in a central Prague location on the banks of the Vltava River.
- Certification according to LEED Platinum and WELL Platinum is being sought.

#### SUSTAINABILITY ASPECTS

- The energy consumption of the buildings will be 50% below the Czech energy standard for new buildings.
- Re-development including remediation of an old site (brownfield development).
- On-site geothermal heat pumps and photovoltaics used as renewable energy sources.
- A high proportion of recycled building materials is used through the preparation and evaluation of a Life Cycle Assessment Report.
- Attractive landscaping design with spacious green areas and garden pavilions for working outdoors.
- Showers, bicycle parking and service station.
- Increased well-being at the workplace, e.g. through intelligent lighting control adapted to the human bio-rhythm (adjustment of intensity and colour temperature of lighting), display and monitoring of temperature and indoor air quality, biophilic design approach harmoniously combines nature and the workplace.

## SOCIAL ENGAGEMENT

CA Immo also takes measures in the social sphere to set positive impulses and responsible standards within its sphere of influence. Our strategy focuses in particular on health & safety, employment & working conditions and the social aspects of a sustainable supply chain and urban district development. Other topics from our materiality analysis are also explained.

### 1. TENANTS AND SERVICE PROVIDERS

#### Health & Safety



Safe and health-promoting working conditions for occupiers and external service providers, both in ongoing building operations and in the course of construction projects, are a basic prerequisite for our corporate success. CA Immo stands for strict compliance with all legal requirements in the area of health and safety. Our aim is to prevent accidents resulting in sick leave in or around our buildings, in our own offices and on construction sites. In addition, our activities focus on maintaining the long-term performance and well-being at work of all occupiers.

In all **project developments** carried out throughout the Group, health and safety considerations are integrated both in the planning and construction phase and with regard to subsequent tenants/occupiers of the buildings. The safety and health protection coordinator (SiGeKo), who is already involved in the planning phase, coordinates all those involved in the construction work. This coordinator carries out regular safety inspections and intervenes immediately when hazardous conditions are identified. In addition, each contractor is required to appoint its own safety officer. The risk of the individual activities is assessed by the SiGeKo and appropriate precautions are defined and compliance is monitored on site. All safety measures are incorporated as an overall safety and health protection plan in the respective construction site regulations of the project, compliance with which is mandatory for all project participants.

In addition, CA Immo strives not only to comply with, but also to exceed all legal requirements relating to potential negative impacts on stakeholders (such as construction noise or increased particulate pollution) in all its project developments.

Health and safety assessments are also carried out in all buildings throughout the Group during ongoing **building operations**. All legal requirements, e.g. concerning electrical installations, elevator systems and fire protection measures, are complied with. The safety and functionality of technical building systems are regularly checked by means of expert inspections, maintenance and functional tests in order to prevent malfunctions and equipment failures. The frequency of these inspections is based at least on the national legal requirements. If deficiencies are identified, their rectification is initiated immediately. External facility managers are responsible for functional safety and compliance with fire protection regulations in the course of their work.

#### Tenant Comfort & Wellbeing

Workplace quality has a significant impact on the health, motivation and productivity of office occupants. That is why CA Immo considers the safety and health impacts of buildings as early as the planning, design and development phase of construction projects. A wide range of measures to promote the health and comfort of future tenants are implemented in the course of our project developments, such as a pleasant indoor climate, ideal acoustic, thermal and visual conditions, and the creation of spaces for social interaction, often with greened outdoor areas. In this respect, CA Immo relies on additional certification standards for selected buildings. The **WELL building standard** specifies measures to promote health and well-being in buildings in the categories of air, water light movement, thermal comfort, nutrition, noise, materials, spirit and community (wellcertified.com). Currently, one CA Immo office building in Prague holds a gold WELL Core and Shell certification. Further projects, such as the Mississippi House and Missouri Park office buildings that CA Immo is currently developing in Prague, are earmarked for WELL certification.

### Covid-19

In 2020, compliance with all additional safety precautions prescribed in the context of the Covid-19 pandemic was continuously monitored and ensured in our buildings and on the construction sites. No delays were recorded at CA Immo construction sites as a result of the pandemic, and all construction projects could be continued according to plan.

In order to ensure the safety of tenants and employees as best as possible and to be able to act quickly if necessary, CA Immo set up an international **Health & Safety Taskforce** at an early stage. Since the beginning of March 2020, this taskforce has been coordinating weekly on current developments and implementing appropriate recommendations for hygiene measures at regional level in the common areas of our buildings and in the own-used office spaces. A corresponding action plan was continuously revised in the course of 2020 and adapted to the current local infection situation and the guidelines of the national health authorities in the cities in which CA Immo is represented with investment buildings and own branch offices. Measures and internal rules of conduct for several scenarios and escalation levels were included to ensure a safe environment for all building users at all times. Based on this, the following protective measures, among others, were implemented in the **common areas of CA Immo buildings**:

- Increased cleaning frequency (several times a day) and disinfection
- Provision of disinfectant at the building reception desk, including instructions on hand disinfection
- Posting of distance rules for elevator use and recommendation for use of stairwells
- Mandatory use of mouth-nose protection in all common areas
- Change of filter type and/or regular replacement of air conditioning filters
- Increasing air circulation (e.g. by extending the operating hours of ventilation units) and deactivating recirculation mode, as well as intensifying air humidification in the buildings to reduce the viral load in the indoor air (as far as corresponding technical requirements are available)
- Permanent operation of exhaust air systems in toilets
- Partial closure of showers in the common areas.

All operating personnel received specific training on the new operating procedures and Covid-19 prevention measures. This also included employee behaviour in the event of a confirmed or possible presence of a person infected with Covid-19.

### Tenant Relations & Retention

CA Immo has had local teams on the ground in its core cities for many years, taking care of active tenant support and retention as well as the efficient management and maintenance of our buildings. Our experts are well acquainted with the respective market conditions, the nature and possibilities of our regional portfolio buildings, and the individual needs of our tenants. Ongoing interaction with our tenants, combined with our strong regional and international portfolio presence, enables us to offer tailored solutions for a wide range of tenant needs. High building quality, good inner-city locations, a reliable track record in project development for our own portfolio (built to suit) and our continuity as a long-term portfolio holder offer our tenants stability and security.

### Sustainable procurement & Supply Chain



CA Immo screens business partners – in particular construction companies – as part of the award process not only with regard to their professional qualifications and economic situation, but also with regard to social aspects. In the case of construction services, CA Immo obliges and checks its contractors and supply chain partners for compliance with statutory regulations on occupational health and safety, workplace and working time regulations and collective agreements. In addition to the economic evaluation of bids, compliance with social and environmental standards is requested from potential contractors and taken into account in award processes. Details on these standards and the associated control mechanisms can be found in the CA Immo Procurement policy at [caimmo.com/sustainability](http://caimmo.com/sustainability).

## 2. EMPLOYEES

Our employees are our most valuable resource; their expertise and commitment are crucial to our success. CA Immo values a corporate culture that is characterised by pride, trust and self-determined work. As an employer, we want to create the best possible conditions for our employees to develop their potential, strengths and competencies to the full. We offer safe and attractive working environments, a wide range of international development opportunities and careful, forward-looking personnel development with the aim of offering our employees what our office properties stand for: a "place where people love to work".

**Employment & Working Conditions**

The number of staff employed by CA Immo across the Group as of December 31, 2020 was 437<sup>1)</sup> (31.12.2019: 414<sup>2)</sup>. Germany is CA Immo's most employee-intensive core market, accounting for around 52% of the workforce, followed by CEE (24%) and Austria (18%). The remaining 6% is accounted for by employees of the 100% construction subsidiary omniCon branch in Basel. Of the total of 252 employees in Germany, 119 (2019: 106) were employed by omniCon as of the reporting date (of which 25 were employed by the omniCon branch in Basel). As an employer, CA Immo has been locally anchored in its

markets for many years and employs almost exclusively local staff in its international branches.

In principle, CA Immo employs staff on full-time, permanent contracts. CA Immo supports the **work-life-balance and compatibility of career and family** at different stages of employees' lives by offering flexible working hours and part-time models, work-from-home arrangements, individual parental leave models and paternity leave. Employees on leave are integrated into the internal information network and have the opportunity to participate in annual team meetings and company events. In addition, a large number of employee-related regulations were defined in cooperation with the Austrian Works Council within the framework of company agreements.

In 2020, CA Immo once again conducted a Group-wide analysis of **employee satisfaction** in cooperation with Great Place to Work (GPTW). Compared to the last GPTW survey conducted in 2016, the satisfaction rate stood nearly unchanged at 86% (2016: 85%). The survey is standardised and assesses satisfaction dimensions such as pride, fairness, respect, camaraderie and credibility. The employees who took part in the survey (76% of total employees) were particularly positive about factors such as teamwork, working environment, portfolio, reputation, focus on sustainability and stability.

PERSONNEL DISTRIBUTION WITHIN THE CA IMMO GROUP <sup>1)</sup>

Headcount	Number of employees				Share of women 31.12.2020 in %	Joining / Leaving 2020	New hires <sup>2)</sup> 2020 in %	Turnover <sup>3)</sup> 2020 in %
	31.12.2019	31.12.2020	Change in %	2020 Ø				
Austria	80	80	0	80	63	12/11	15	14
Germany/Switzerland <sup>4)</sup>	233	252	8	244	38	45/23	18	9
CEE	101	105	4	102	72	11/5	11	8
<b>Total</b>	<b>414</b>	<b>437</b>	<b>6</b>	<b>426</b>	<b>51</b>	<b>68/39</b>	<b>16</b>	<b>9</b>

<sup>1)</sup> Headcounts. Thereof around 11% part-time staff, incl. 26 employees on unpaid leave; excl. 22 employees of joint venture companies.

<sup>2)</sup> New hires: Joiners 2020 / average number of employees in 2020 (Headcount)

<sup>3)</sup> Turnover: Leavers 2020 / average number of employees in 2020 (Headcount);

<sup>4)</sup> At the end of 2020, 25 local employees were employed at the Basel branch of CA Immo's wholly owned construction subsidiary omniCon, which was established in 2014.

<sup>1)</sup> Of which around 11% part-time employees (PTE); incl. 26 employees on unpaid leave

<sup>2)</sup> Of which around 11% are PTE; including 23 employees on unpaid leave

Regular **internal communication** and a trusting and constructive exchange between the Supervisory Board, management and employees are important to us. Relevant information is passed on to all employees in a comprehensive and timely manner via various channels, including physical or virtual CEO info meetings, info mails, management meetings and team jour fixes. The **Works Council**, which is based at the Vienna headquarters, cooperates closely with the HR department. Corresponding coordination meetings are held every 14 days. The Management Board and the Works Council meet on a quarterly basis to discuss company developments and relevant employee issues. Four employee representatives from the Austrian Works Council sit on the Supervisory Board of CA Immo. Their activities **enable co-determination on the Supervisory Board**, including the right to have a say in far-reaching corporate decisions.

CA Immo offers employees a range of voluntary social benefits, independent of the working time model: Meal vouchers or food subsidy, Bahn-card 25 or 50, job tickets, further training support, kindergarten allowance, group health insurance, group accident insurance, job-related allowances and company pension scheme (pension fund). In addition to the fixed salary, all employees can participate in the company's success in the form of a variable profit-sharing bonus. This is linked to the achievement of budgeted annual targets and a positive Group result.

#### Talent Management & Human Resources Development

As part of its strategic training and development program (CA Immo Academy), CA Immo provides its employees with a wide range of regular internal and external training and development opportunities. It also supports the professional development of its employees with training days, flexible working hours and financial assistance for the completion of (dual) studies. Further information on the subject of training and further education can also be found at [www.caimmo.com/en/careers/](http://www.caimmo.com/en/careers/).

Every CA Immo employee holds an **appraisal interview** with his or her manager at least once a year to assess performance, define goals and develop his or her personal career. Individual training plans and goals can be defined in line with both the individual development potential of employees and the company's need for expertise and qualifications. In 2020, 99% of employees had an annual appraisal, with the remaining 1% being accounted for by employees who joined in the fourth quarter of 2020.

#### AVERAGE ABSENCES FROM WORK BY REGIONS

in days		Vacation	Illness	Qualification	
				in hours	in days
Austria <sup>1)</sup>	Women	15.2	6.7	31.1	3.9
	Men	32.2	3.0	22.4	2.8
Germany <sup>2)</sup>	Women	27.8	6.1	8.0	1.0
	Men	28.3	5.0	8.3	1.0
CEE <sup>3)</sup>	Women	18.0	0.4	6.3	0.8
	Men	19.8	1.9	7.4	0.9

<sup>1)</sup> Excludes one long-term sick leave case (LTSL). Including these LTSL, the average of sick leaves of women in Austria would be 7.6 days.

<sup>2)</sup> Excludes six long-term sick leave cases (LTSL). Including these LTSL, the average of sick leaves of women in Germany would be 7.3 days and of men 8.4 days

<sup>3)</sup> Excludes one long-term sick leave case (LTSL). Including these LTSL, the average of sick leaves of men in CEE would be 2.2 days.

#### PERSONNEL DISTRIBUTION BY AGE AND CATEGORIES (TOTAL: 437 EMPLOYEES) <sup>1)</sup>

in %			
<b>Employees (371)<sup>2)</sup></b>	<b>≤ 28 years</b>	<b>29-48 years</b>	<b>≥ 49 years</b>
Female	6%	40%	9%
Male	4%	26%	15%
<b>Total</b>	<b>10%</b>	<b>66%</b>	<b>24%</b>
<b>Managers (63)<sup>3)</sup></b>	<b>≤ 28 years</b>	<b>29-48 years</b>	<b>≥ 49 years</b>
Female	0%	25%	6%
Male	0%	40%	29%
<b>Total</b>	<b>0%</b>	<b>65%</b>	<b>35%</b>
<b>Management Board (3)</b>	<b>≤ 28 years</b>	<b>29-48 years</b>	<b>≥ 49 years</b>
Female	0%	0%	0%
Male	0%	33%	67%
<b>Total</b>	<b>0%</b>	<b>33%</b>	<b>67%</b>
<b>Total employees (437)</b>	<b>38</b>	<b>286</b>	<b>113</b>

<sup>1)</sup> Excl. 22 employees of joint venture companies. The percentages relate to the number of employees in the respective category

<sup>2)</sup> Of which 1% with disabilities

<sup>3)</sup> Managers were defined as follows: Group manager, Managing Director, Head of department, head of division, team leader.

### Health and safety at work



Two occupational accidents were recorded in the 2020 reporting year. The resulting absences did not exceed one month in each case. No other significant work-related injuries, illnesses or days lost by CA Immo employees were reported in 2020. Safety and health plans are drawn up at all CA Immo construction sites; the company's own employees received regular safety briefings at the sites (see also the section Tenants & Service Providers, Health & Safety from page 24 onwards).

External safety specialists carry out regular rounds and checks in all own-used CA Immo offices. The frequency of these inspections is based on national legal requirements and ranges from four times to once a year. The main topics include workplace evaluation, fire protection, indoor climate factors and alone work/alone workplace. No identifiable technical safety deficiencies and resulting acute hazards or risks to employees were identified at any CA Immo site in 2020.

In order to protect the physical and mental health of employees in the long term, CA Immo offers the following measures and incentives as part of its **occupational health care programme**:

- Ongoing physical and virtual (digital) informations on health-promoting work (place) design.
- Regular voluntary first aid courses
- Lectures by medical professionals on health promotion and stress prevention/management
- Annual voluntary free tick and flu vaccinations

#### Covid-19

In addition to the security measures in the common areas of our buildings as listed in the "Tenants & Service Providers" section on page 25, the following Covid-19 protection measures are also implemented in the own-used CA Immo offices:

- Provision of mouth-nose protection at the reception
- Mandatory use of mouth-nose protection in all general building and office areas (except at own workplace)
- Reducing courier deliveries, including private packages, to a minimum.

A special catalogue of measures to create a safe working environment for CA Immo employees in all office premises used by the company itself has been continuously adapted and communicated internally. For example, due to the Covid-19 pandemic, an extended work-from-home

regulation has been in force for all CA Immo employees since March 13, 2020. In May, the CA Immo branches were gradually opened with voluntary office presence, a maximum of 50% office occupancy and mandatory masking in all shared office areas. Until further notice, business trips and presence meetings will only be held in exceptional cases.

CA Immo did not take advantage of any short-time work or other government subsidies related to the pandemic during 2020. Thanks to early investment in modern IT equipment (e.g. laptops for all employees) and conversion to digital processes, all employees were able to continue working largely undisturbed in their home offices or office workplaces while complying with Group-wide security precautions. Accompanying training for managers on adapting the management culture and tools to the changed conditions, as well as a virtual conference system available throughout the Group, enabled unrestricted productivity and collaboration even in times of 100% work-from-home.

Further information on health and safety for employees can be found in our CSR Policy at [caimmo.com/sustainability](http://caimmo.com/sustainability).

For information on **diversity, equality, inclusion and employee rights**, please refer to the Corporate Governance Report from page 39 onwards. Additional employee-related data can be found in the ESG Appendix from page 63 onwards.

#### Outlook 2021

CA Immo continued to increase its headcount in 2020. In line with the company's expansionary development, staff growth is expected to continue in the coming years. The aim for the coming years is to further improve employee satisfaction, to develop human resources in line with the rapidly changing general conditions and to clearly position the CA Immo employer brand to support international recruiting.

### 3. SUSTAINABLE URBAN DISTRICT DEVELOPMENT



As an international investor, owner of inner-city office buildings and urban district developer, CA Immo also has an impact on the social environment in its core cities. Our goal is to create urban districts in which people will enjoy living tomorrow just as much as they do today: attractive, mixed-use districts with good public transport links that combine working, living, social and cultural facilities and thus enable people to live within a short distance of each other.

In the course of its urban district developments, CA Immo ensures efficient inner-city land use while maintaining a high quality of stay by creating (play and sports) squares, parks, schools, daycare centers, local amenities, public roads and (bicycle) paths. By specialising in the revitalisation of brownfield sites, CA Immo opens up places that were previously inaccessible or only accessible to a small number of people, mostly due to former industrial use, to all city dwellers as places to work

or live, green spaces, meeting places, recreation and local amenities. 19 CA Immo portfolio buildings or 24% of the total investment portfolio (by area) are located in urban districts that have been appropriately developed, upgraded and opened up to the public by CA Immo.

#### Procurement of building rights for residential development

In the course of its urban district development projects, CA Immo has procured building rights for more than one million sqm of gross floor space of residential construction in Frankfurt, Munich, Regensburg, Mainz, Berlin and Vienna over the past two decades. This corresponds to more than 12,000 residential units. Around 3,300 residential units were developed by CA Immo itself, in many cases with joint venture partners. Further extensive land reserves for urban residential quarters in Munich are currently in various stages of land preparation and zoning (see the chart below on the Munich urban district Eggarten-Siedlung).

### EXAMPLE OF SUSTAINABLE URBAN DISTRICT DEVELOPMENT: EGGARTEN-SIEDLUNG, MUNICH



Urban planning and landscape architecture competition 2020: 1st price (copyright): Studio Wessendorf, Berlin, with Atelier Loidl Landscape Architects, Berlin

#### KEY FACTS

- Development of a sustainable model quarter for cooperative residential construction, climate protection, mobility and energy.
- Completion of the urban planning and landscape architecture competition in 2020.

#### SUSTAINABILITY ASPECTS

- The structural concept envisages the development of 1,750 to 2,000 apartments.
- Up to 50% of the apartments will be constructed by cooperative or non-profit housing companies – biggest cooperative residential district in Munich since the Second World War.
- School, daycare centres, local amenities, playgrounds, cycle paths, sports grounds and social facilities to promote neighbourliness.
- Green, diverse neighbourhood thanks to small, tree-covered squares.
- Climate-friendly energy supply with a high share of renewable energy, green architecture and optimal energy standards in buildings to minimise greenhouse gas emissions and create a healthy urban climate.
- Promoting the switch from car to public transport, walking and cycling through new mobility and sharing offers.
- Largely car-free neighbourhood and high quality of stay through three parking garages on the outskirts of the district.
- Development and revitalisation of the site.
- Early information and involvement of all stakeholder groups in the planning process ([www.eggarten-siedlung.de](http://www.eggarten-siedlung.de)).

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#### 4. COMMUNITY ENGAGEMENT

##### **Cultural and social sponsoring**

In the course of developing inner-city districts and converting former industrial sites, CA Immo has for many years made space and buildings available free of charge or at low cost for interim cultural use. One example of this is the Rieck Halls, which are used as exhibition space, and the Hamburger Bahnhof property at Berlin's main train station.

CA Immo also promotes selected charitable institutions, hospitals and schools in their core cities. In 2020, for example, we supported the construction of a Covid-19 hospital in Bucharest and the delivery of appropriate protective equipment to hospitals; in Budapest, CA Immo provided funds to equip socially disadvantaged children with laptops for home schooling. In total, CA Immo donated around € 91,100 to social and medical institutions in 2020.

##### **Corporate volunteering**

CA Immo promotes the commitment of its employees to the common good. In accordance with a new policy drawn up in 2020, all CA Immo employees have the opportunity to spend up to two working days a year actively working for the common good.

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#### BUSINESS ETHICS, CORPORATE GOVERNANCE & COMPLIANCE




CA Immo wants to make an active contribution to a sustainable economy with integrity within its sphere of influence. This commitment requires the involvement of many, both our own employees and external partners. Through targeted information and clear standards and guidelines, we aim to raise awareness among our employees and contractors of the issues we consider relevant and to encourage or oblige them to support our principles and initiatives. All information on corporate governance, compliance, anti-corruption and human rights can be found in the Corporate Governance Report from page 31 onwards. Relevant policies are available on our Group website at [caimmo.com/sustainability](https://caimmo.com/sustainability), including:

- Code of Ethics & Code of Conduct
- Gifts and Donations Policy
- CSR Policy
- Procurement Policy



## CORPORATE GOVERNANCE REPORT<sup>1)</sup>

### RESPONSIBLE CORPORATE MANAGEMENT

 Responsible corporate management is of central importance to CA Immo. Our corporate governance is based on a wide-ranging concept that embraces responsible, transparent, sustainable and value-oriented corporate management. The Management and Supervisory Boards as well as senior managers ensure that corporate governance is actively pursued and steadily developed across all areas of the company with a view to dealing with customers, employees, the people around us and the environment in a responsible manner. We believe the successful integration of sustainability aspects and innovation not only promotes profitable growth, but also long-term competitiveness in the market. With this in mind, we evaluate and manage the requirements of our stakeholders as well as the impact of our business activities on the environment and wider society.

#### Aspects of value-based corporate governance

 We are one of the leading real estate companies in Central Europe and, as such, the first port of call for investors, shareholders, equity and debt capital providers, buyers, customers, tenants, interested parties, suppliers, business/contractual partners, employees, government representatives and lobbyists as well as the media and the general public ('**stakeholders**'). We are successful in what we do and set standards for quality, transparency and fairness in our business segment.

Our objective is to create sustainable value through real estate, to generate sustained benefits for our shareholders, tenants and users, to treat all business partners with respect and fairness and, in the course of our business operations, to treat resources and the environment with awareness and care. In line with this positioning and the goal we have set ourselves, CA Immo is committed to the following fundamental values ('code of ethics'), which are defined in detail in our code of conduct and in separate guidelines and policies.

- Compliance with laws and lawful conduct, zero tolerance of corruption
- Preserving the integrity of business dealings
- Compliance with human rights
- Compliance with environmental standards

- Commitment to social responsibility, compliance with employee rights, prohibition of discrimination and harassment
- Transparency and maintaining integrity in capital market communications
- Ensuring complaints are accessible to everyone ('whistleblower system')
- Commitment


These fundamental values are binding on our employees. CA Immo does not tolerate violations of these values. Our contractual partners must accept our values before entering into a contract while undertaking to comply with the legal, ethical and moral principles set out in this code; they must also commit their business partners and suppliers to these principles.

#### Our guidelines

By providing specific information and clear standards and guidelines, we aim to raise awareness among our employees and contractors of the issues we consider relevant while encouraging (or obliging) them to support our principles and initiatives. Our core values (code of ethics), our code of conduct and our substantially related guidelines and policies on corporate governance, compliance, anti-corruption and social standards are available at [Corporate Governance \(caimmo.com\)](https://www.caimmo.com), including:

- Code of ethics & code of conduct
- Gifts and sponsoring policy
- Corporate social responsibility ("CSR") policy
- Procurement policy

#### Commitment to compliance with corporate governance standards

 Compliance with legal provisions applicable on CA Immo's target markets is a high priority for us. The Management Board and Supervisory Board are committed to the Austrian Corporate Governance Code<sup>2)</sup> and thus to transparency and principles of good corporate management. Alongside this code and the requirements of the Institut Corporate Governance der deutschen Immobilienwirtschaft e.V. (ICG), good corporate governance incorporates the standards of the internal monitoring system (IMS), comprehensive risk management, compliance and, particularly, adherence to internal regulations on organisational and supervisory duties.

<sup>1)</sup> In line with the AFRAC recommendations on corporate governance reporting, the corporate governance report of the parent company and the consolidated corporate governance report are tied together in one report.

<sup>2)</sup> The Austrian Corporate Governance Code may be viewed on the web site of the Austrian Working Group for Corporate Governance at [www.corporate-governance.at](http://www.corporate-governance.at).

This corporate governance report is also available at [Corporate Governance \(caimmo.com\)](https://www.caimmo.com).

#### COMPLY OR EXPLAIN ACCORDING TO THE AUSTRIAN CORPORATE GOVERNANCE CODE

The rules and recommendations of the version of the Corporate Governance Code applicable in business year 2020 (January 2020 amendment) are implemented almost in full. Discrepancies are noted in respect of C Rules no. 2 (right of appointment to the Supervisory Board) and no. 45 (executive positions with competitor companies).

**C Rule no. 2:** Formulation of shares in accordance with the ‘one share – one vote’ principle.

Explanation/reason: The ordinary shares of the company (98,808,332 bearer shares and four registered shares) were issued in accordance with the ‘one share – one vote’ principle.

The registered shares in existence since the founding of the company confer the right of nominating up to four Supervisory Board members. Partial use was made of this right of appointment: since the last Annual General Meeting held in August 2020, the Supervisory Board has comprised six shareholder representatives elected by the Annual General Meeting, two shareholder representatives appointed by registered shares and four employee representatives. The transfer of registered shares requires the approval of the company. In the view of the company, the right of all shareholders to participate in the composition of the Supervisory Board is upheld in spite of the registered shares. The Austrian Stock Corporation Act provides for the delegation of members to the Supervisory Board, whereby the total number of appointed members may not exceed one third of all Supervisory Board members. Moreover, appointed members of the Supervisory Board may also be removed from office at the request of a minority (10% of the capital stock) where there is good cause relating to an individual member personally; however, this depends on a majority required for resolutions of 75% of the capital stock represented at the Annual General Meeting (article 21 of the Articles of Association of CA Immo). There are no preference shares or restrictions on ordinary shares issued by the company. The Austrian Takeover Act also ensures that all shareholders would receive the same price for their CA Immo shares in the event of a takeover bid (mandatory offer). The shareholders alone would decide whether to accept or reject any such bid.

**C Rule no. 45:** Supervisory Board members may not take up executive positions with companies that are competitors of CA Immo.

Explanation/reason: According to L Rule no. 52, the Annual General Meeting must take account of the professional and personal qualifications of candidates and aim to maintain a balance of expertise across the Supervisory Board in the selection of Supervisory Board members. Aspects of diversity are considered in terms of the representation of both genders, the age profile and the international make-up of the members of the Supervisory Board. The act governing the gender balance of women and men on Supervisory Boards will ensure the proportion of women on the Supervisory Boards of listed stock corporations (with six or more Supervisory Board members and a proportion women of at least 20% in the overall workforce) and companies with over a thousand employees is at least 30%. Failure to meet this quota will render Supervisory Board elections void. The law has applied to Supervisory Board elections since the start of 2018; current Supervisory Board mandates are unaffected.

To meet these criteria while upholding an in-depth knowledge of the real estate sector, there will be a preference for persons with backgrounds in a similar industry environment. For this reason, the possibility that Supervisory Board members will hold positions with broadly similar companies cannot be ruled out. However, persons proposed for election to the Supervisory Board must present their professional qualifications to the Annual General Meeting, declare their vocational (or similar) functions and disclose all circumstances that could give rise to concern over partiality.

The following Supervisory Board members hold executive positions with similar companies: Sarah Broughton, Laura Rubin (both appointed by Starwood) and Jeffrey G. Dishner (elected by the Annual General Meeting) perform a full range of managerial functions within the Starwood Capital Group, a financial investor specialising in global real estate investment and CA Immo’s largest shareholder. In the business year 2020, Starwood Capital Group (via its vehicle SOF-11 Klimt CAI S.à r.l.) increased its stake in CA Immo from around 26% of the share capital to around 28%, which is associated with just under 30% of the voting rights in the company. The corresponding transactions, reported in accordance with article 19 of the MAR (Market Abuse Regulation) as transactions by persons discharging managerial responsibilities, are available under [Directors Dealings](#)

([caimmo.com](http://caimmo.com)). Information on the mandatory anticipatory offer announced by Starwood Capital for all CA Immo shares and convertible bonds ('Convertible Bond 2017') can be found in the Investor Relations section and on the website under [Takeover offers](#) ([caimmo.com](http://caimmo.com)).

As well as performing numerous functions for the company in relation to all manner of properties, Torsten Hollstein is the Managing Director and founding member of CR Holding GmbH, a leading pan-European consultancy and asset/investment management business specialising in commercial real estate. Michael Stanton is currently a Portfolio Manager for FFF Asset Management Limited, an alternative investment fund with offices in Cyprus, Luxembourg, London, Zurich and Moscow specialising in investments in securities, real estate and private equities. There is no direct competition with the companies listed.

In a different sector but noteworthy in terms of the transparency of related party transactions is Monika Wildner's Supervisory Board mandate with Volksbank Wien AG. At the end of 2019, Volksbank Wien became a long-term tenant of around 14,000 sqm of office space in the CA Immo portfolio building at Erdberger Lände 26. The lease contract (concluded before the Supervisory Board mandate at CA Immo was accepted) conforms to standard market terms and conditions and generates annual rental income of approximately € 2.3 m.

A full list of executive functions performed by Management and Supervisory Board members is published at [About the Supervisory Board](#) ([caimmo.com](http://caimmo.com)).

#### External governance evaluation

The evaluation carried out by Ernst & Young Wirtschaftsprüfungsgesellschaft m.b.H. concerning compliance with the C rules of the Austrian Corporate Governance Code for business year 2020 found that the declaration of conformity issued by CA Immo accurately reflects the implementation of the recommendations of the Austrian Corporate Governance Code.

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### THE CORPORATE BODIES OF CA IMMO – MANAGEMENT AND SUPERVISORY STRUCTURE

The responsibilities of the Management and Supervisory Boards and cooperation between Board members are defined by the law and the Articles of Association as well as rules of procedure passed by the Supervisory Board

(including the schedule of responsibilities for the Management Board). The obligations therein defined as regards business matters requiring approval, information provision and reporting by the Management Board apply to all subsidiaries of CA Immo. The Articles of Association and rules of procedure for the Supervisory Board are available at [Corporate Governance](#) ([caimmo.com](http://caimmo.com)).

#### The Management Board

The Management Board of CA Immo has comprised three members since 1 June 2019. The **Chief Executive Officer** (CEO) is responsible for overall organisation and management, strategic direction, the future development of the company and for representing the company to its Supervisory Board members and shareholders. As the Management Board spokesperson, he also issues statements to the general public and the media. The **full Management Board** is responsible for achieving the aims of business policy; in this regard, the Board bears overall corporate responsibility at both company and Group level. Regardless of individual departmental and Board responsibilities, all agendas are discussed openly by the Board members at regular Management Board meetings, with departmental representatives included in the discussions. The implementation of resolutions passed is continually monitored. The Supervisory Board is informed immediately of any significant discrepancies from planned values. Irrespective of the division of authority, each member of the Management Board shares responsibility for the overall running of the company's business affairs.

#### The Supervisory Board and its committees

As at the balance sheet date, the Supervisory Board of CA Immo comprised six members elected by the Annual General Meeting, two shareholder representatives appointed by registered shares and four employee representatives. The average tenure for elected Supervisory Board members is currently just under four years. The task of the Supervisory Board is to monitor the management of the company. To this end, the Supervisory Board may demand all information on the company and associated Group companies from the Management Board. Major transactions such as investments, financing, plant closures and share deals may only be undertaken with the consent of the Supervisory Board. The members of the Supervisory Board are subject to the same duty of care as Managing Directors and Management Board members, regardless of their status as representatives of shareholders and employees. Negligent conduct on the part of Supervisory Board members is countered by liability for damage

resulting from such negligence. The full Supervisory Board resolves on matters of fundamental importance and strategic direction. In addition, the Supervisory Board performs its duties through four professionally qualified committees, whereby the majority of committee members in all committees meet the criteria for independence pursuant to C Rule 53. A **'BUWOG' committee** was temporarily established for decisions in connection with the Austrian BUWOG proceedings.

Decisions on urgent matters are taken by the **presiding committee** as required. Further specialist committees may be set up as and when required.

The **audit committee** is responsible for overseeing the entire process of financial reporting, the (Group) auditing

process, the effectiveness of the internal monitoring system, the internal auditing system and risk management. Tasks of the audit committee include auditing the annual and consolidated financial statements (including the management reports) and examining the corporate governance report and proposals on the distribution of profit. The committee also reviews the independence of the (Group) auditor – especially with regard to additional services performed on behalf of the company (non-audit services) – and puts forward proposals for the selection of the (Group) auditor to the Supervisory Board. All members of the audit committee (and especially Professor Klaus Hirschler and Sarah Broughton) are acknowledged as financial experts on the basis of their experience and professional track records.

#### CURRENT COMPOSITION OF THE COMMITTEES<sup>1)</sup>

The audit committee	The investment committee	The nomination committee	The remuneration committee	The presiding committee	The BUWOG committee
Sarah Broughton	Jeffrey Dishner	Jeffrey Dishner	Jeffrey Dishner	Sarah Broughton	Georg Edinger <sup>4)</sup>
Professor Klaus Hirschler <sup>2)</sup>	Georg Edinger <sup>4)</sup>	Georg Edinger <sup>4)</sup>	Torsten Hollstein <sup>2)</sup>	Georg Edinger <sup>4)</sup>	Professor Klaus Hirschler
Nicole Kubista <sup>4)</sup>	Torsten Hollstein <sup>2)</sup>	Torsten Hollstein <sup>2)</sup>	Dr. Florian Koschat	Torsten Hollstein <sup>2)</sup>	Torsten Hollstein
Sebastian Obermair <sup>4)</sup>	Sebastian Obermair <sup>4)</sup> (ab 11.2.2020)	Dr. Florian Koschat	Michael Stanton	Dr. Florian Koschat	Dr. Florian Koschat
Michael Stanton	Laura Rubin	Sebastian Obermair <sup>4)</sup>		Sebastian Obermair <sup>4)</sup>	Nicole Kubista <sup>4)</sup>
	Walter Sonnleitner (ab 25.8.2020)	Michael Stanton			Dr. Monika Wildner <sup>2)</sup>
	Michael Stanton				
	Dr. Monika Wildner (ab 25.8.2020)				

<sup>1)</sup> As regards the independence of the individual committee members reference is made to the 'Supervisory Board' chapter

<sup>2)</sup> Chairperson

<sup>3)</sup> Deputy Chairperson

<sup>4)</sup> Employee representative

The **investment committee**, in cooperation with the Management Board, prepares the ground for all investment decisions that must be taken by the full Supervisory Board. The investment committee may also approve investments in and sales of real estate and companies as well as the implementation of development projects and similar measures with total investment volumes of up to € 50 m; beyond this limit, the approval of the full Supervisory Board is required.

The **nomination committee** is responsible for succession planning for the Management Board and the Supervisory Board. Candidates for vacant Supervisory Board mandates put forward to the Annual General Meeting are considered on the basis of their professional and personal qualifications, with particular efforts made to maintain diversity and a balance of expertise across the Supervisory Board. Management Board members are invariably selected according to a defined appointment procedure, taking corporate strategy and the current position of the company into consideration. In addition, the **remuneration**

**committee** regularly reviews the remuneration policy and compensation system for the Management Board and evaluates the remuneration report to be submitted to the Annual General Meeting. Given their lengthy professional track records, all members of the remuneration committee possess sufficient knowledge and experience of remuneration policy.

The **presiding committee** rules on urgent matters and measures where no delay is possible and the approval of the Supervisory Board cannot be obtained in good time. Its decisions are presented to the full Supervisory Board for authorisation as soon as possible.

Details of the main activities of the Supervisory Board and the committees in business year 2020 are provided in the Supervisory Board report.

#### **Co-determination by employees on the Supervisory Board**

Four employee representatives from the works council have been appointed to the Supervisory Board. Although works council members are always numerically inferior owing to the one-third parity rule, their Supervisory Board activity affords them faster and fuller access to important information on happenings within the company, and the right to be consulted on far-reaching corporate decisions. The works council may also enter into direct dialogue with shareholder representatives with a view to informing owners of any managerial problems directly.

#### **Co-determination of shareholders**

The rights and obligations of shareholders derive from the Stock Corporation Act and the Articles of Association of CA Immo. The most important shareholder rights are the right of profit-sharing, the right to attend General Meetings (with associated voting rights) and the right to request additions to an agenda and submit motions to a General Meeting. Given their voting rights, shareholders are entitled to vote not only on the appropriation of net profit, but also exert influence on approving the actions of the Management and Supervisory Boards, the compensation system for Board members and the future direction of the company (for example by approving takeovers or capital measures). Another right is the right to information: all shareholders have the right to be informed on all key matters affecting the joint stock company. Further information on the rights of shareholders with regard to Annual General Meetings is published at [Ordinary General Meeting \(caimmo.com\)](#).

## **ORGANISATIONAL INTEGRATION AND MANAGEMENT OF ESG IN THE COMPANY**



Sustainability has been an integral part of CA Immo's corporate strategy since the acquisition of the German urban district developer Vivico Real Estate in 2008. The full Management Board is responsible for the Group-wide, holistic implementation of the sustainability strategy in the corporate strategy, and for ensuring compliance with it. This involves climate-related activities, key indicators and investment in such areas as renewable energies while improving the energy efficiency of existing portfolios.

In the course of annual risk assessments, CA Immo effectively identifies and evaluates climate-related risks. Responsibility for managing these risks and deciding how to react to various climate-related risks lies with the Management Board. In this context, the individual members of the Management Board are responsible for ensuring the operational effectiveness of internal control systems and for implementing key risk mitigation plans in their spheres of responsibility. Implementation is usually carried out by the individual departments; corresponding measures are reported to the Management Board at regular Management Board meetings or other management meetings. The Supervisory Board is informed of measures taken at least once a year.

The commitment to sustainability enshrined in the corporate strategy is also implemented in CA Immo's remuneration model at all levels. Performance-related Management Board remuneration includes environmental, social and corporate governance ("ESG") components and takes particular account of the long-term interests of shareholders and other stakeholders. The performance of the Management Board is evaluated according to both financial and non-financial criteria. Information on the Management Board compensation model can be found in the separate remuneration report under [Corporate Governance \(caimmo.com\)](#).

The **CA Immo Sustainability Task Force** coordinates the ongoing assessment and implementation of the sustainability strategy and drives the development of new initiatives. This ESG Task Force reports directly to the Management Board. In addition, the Supervisory Board is informed at least once a year as part of ongoing **reporting** on ESG targets and key performance indicators that are tracked and monitored on a regular basis.

**Stakeholder dialogue and engagement**



Comprehensive and continuous interaction with our diverse stakeholder and target groups is an important condition for the long-term success of our company. This dialogue and the resultant external feedback help CA Immo to improve in all respects while building trust and strengthening external relationships.

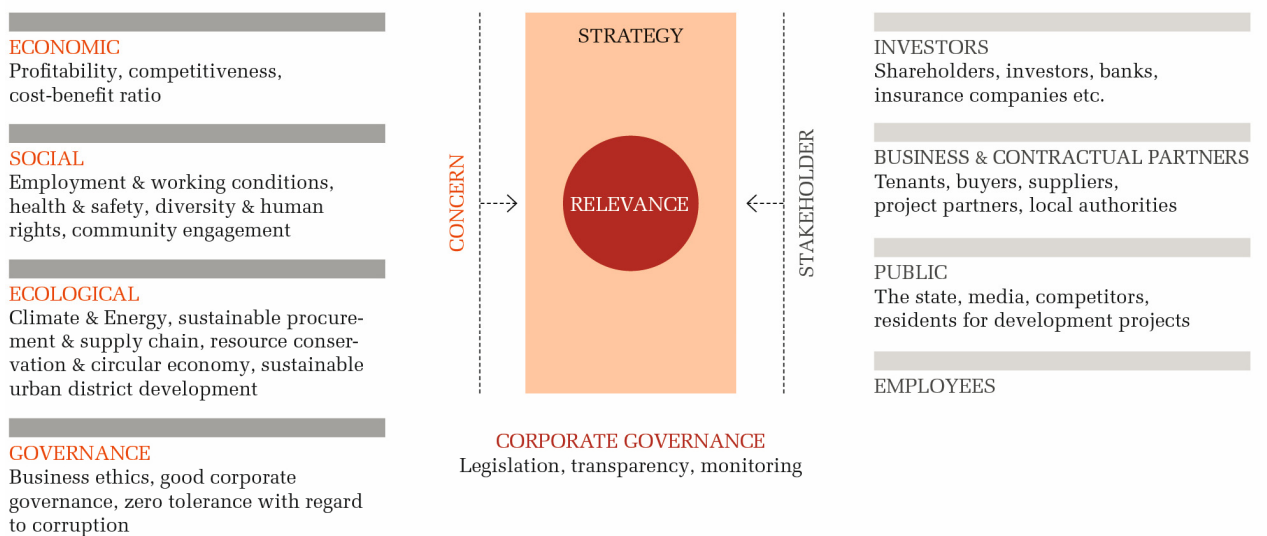
Stakeholder relationships are maintained on several levels. CA Immo employees are in constant direct dialogue and maintain personal contact with investors, tenants, business partners, local authorities, the media, other employees and job applicants. External media coverage and analysts' assessments of the company are regularly monitored. Standardised employee surveys are also conducted.

For CA Immo, open, early exchanges and partnership-based cooperation with municipalities, residents and other stakeholders in the context of development projects is a key success factor in sustainable and vibrant neighbourhood development. For this reason, we engage in active dialogue with relevant groups at the early stages of


projects. This may take the form of neighbourhood/ public events, posting notices/providing information in public places, informing the local press and even personal dialogue with select target groups. Every CA Immo neighbourhood development begins with an architectural competition for urban planning and landscape design, announced transparently and put out to international tender. Representatives of all interest groups associated with the neighbourhood are involved in the process. The most recent examples of early resident communication and stakeholder engagement were the citizens' events and architectural competition in the course of developing Munich's Eggartensiedlung ([Eggarten-Siedlung – Ein Modellquartier für München](http://Eggarten-Siedlung – Ein Modellquartier für München) ([eggarten-siedlung.de](http://eggarten-siedlung.de))).

We select and prioritise strategic sustainability issues according to an awareness of the needs and expectations of our stakeholders. The findings derived from this are incorporated into our strategy, action planning and corresponding reporting. Details on the materiality analysis and stakeholder assessment of our sustainability topics can be found in the ESG Report.

CA IMMO SUSTAINABILITY MODEL



### Independence and dealing with conflicts of interest

 In accordance with the independence criteria laid down by the Supervisory Board (C Rule no. 53), a Supervisory Board member is deemed to be independent where he or she has no business or personal relationship with the company or its Management Board which could give rise to a material conflict of interests and thus influence the conduct of that member. All eight capital representatives of the Supervisory Board have declared their independence according to C Rule no. 53 and thus fulfilment of all independence criteria. With the exception of Sarah Broughton, Laura Rubin and Jeffrey G. Dishner, all members of the Supervisory Board meet the criteria under C Rule no. 54 in that they do not represent the interests of any shareholder with a stake of more than 10% (Starwood Capital). However, some members of the Supervisory Board perform functions for related companies or similar organisations which have the potential to create a conflict of interests. Full details are provided under related party disclosures in the notes, and in the explanations ('Comply or explain' for C Rule no. 45).

Neither Management Board nor Supervisory Board members are permitted to make decisions in their own interests or those of persons or organisations with whom they are closely acquainted where such interests are counter to the (business) interests of the CA Immo Group. All conflicts of interest must be declared immediately. In the event of a contradiction of interests arising, the member in question shall be required to abstain from taking part in voting procedures or leave the meeting while the relevant agenda item is being discussed.

Moreover, members of the Management Board are not permitted to run a company, own another business enterprise as a personally liable partner or accept Supervisory Board mandates in companies outside the Group without the consent of the Supervisory Board. Senior executives may only enter into secondary activities (and in particular accept executive positions with non-Group companies) with the approval of the Management Board.

All business transactions conducted between the company and members of the Management Board as well as persons or organisations with whom they are closely acquainted must conform to industry standards and have the approval of the Supervisory Board. The same applies to contracts between the company and members of the Supervisory Board which oblige those members to perform services for the CA Immo Group outside of their Supervisory Board activities in return for remuneration of a

not inconsiderable value (L Rule no. 48), and to contracts with companies in which a Supervisory Board member has a significant business interest. The company is not permitted to grant loans to members of the Supervisory Board outside the scope of its ordinary business activity.

Our employees must also declare any straightforward conflicts of interest and reach agreement with their managers on the continuance of business activity.


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### COMPLIANCE

 Compliance is a central component of good corporate management and the precondition for long-term success in business. For CA Immo, compliance is a risk management tool that establishes the framework for business activity. CA Immo's compliance management system is based on the pillars of prevention, identification, communication and intervention. Our compliance strategy aims to establish integrity as a firm part of corporate culture. That involves complying with legislation and internal regulations while respecting fundamental ethical values and doing business in a sustainable manner. For CA Immo, integrity and fair dealings with partners are the basis of good business. The company's code of conduct is published at [Corporate Governance \(caimmo.com\)](https://www.caimmo.com); it is binding on all executive bodies, employees and contractual partners, including architects, construction firms, estate agents, other service providers involved in lettings and joint venture partners. In particular, the code sets out regulations on conformity with the law, dealings with business partners and third parties, handling company equipment and confidential information, avoiding conflicts of interest and so on. It also contains information on dealing with complaints, violations of the code of conduct and other provisions binding on CA Immo.

Our values are shared and consistently practised by all employees. To this end, we continually seek to upgrade our training concepts, incorporate compliance into our business processes and tailor communication to target groups. However, compliance also means promoting entrepreneurial risk-taking by creating a clear framework for calculable business risks. Breaches of legal provisions and internal regulations are incompatible with the law and our understanding of compliance, and appropriate sanctions are taken in such cases.

### Compliance organisation and training


 All Group compliance and governance activity is handled by the Corporate Office division, which works closely with the Risk Management and Internal Auditing divisions in an advisory, coordinating and consolidating capacity; it reports directly to the CEO (or full Management Board) as well as the Supervisory Board or its audit committee. Responsibility for the content of compliance rests with the various Group divisional heads. The Corporate Office coordinates the compliance management system, develops the compliance programme on the basis of identified sector-specific compliance risks, compiles and advises on guidelines and policies, receives information and complaints (anonymously or otherwise) and clarifies compliance issues with the involvement of Internal Auditing or external consultants. Moreover, regular training sessions are conducted for CA Immo's executive bodies and employees. The annual **compliance training** sessions cover all aspects of our value management (in particular anti-corruption, competition and antitrust laws, awarding of contracts, capital market compliance, financial reporting requirements, dealing with gifts and donations, conflicts of interest, etc.). These training sessions are offered both as online training and as face-to-face training.

 In common with all aspects of effective compliance, honest and serious participation, information and communication are essential in terms of raising our employees' awareness of sustainability issues. For more information on our strategic sustainability initiatives, please refer to the ESG Report starting on page 8.


### Key compliance issues

Like all business units, our Compliance Agenda 2020 was impacted by the Covid-19 pandemic and the new working environments that emerged. In the year under review, the focus was therefore on adapting our internal work processes to ensure compliance while continually advising on, implementing and monitoring compliance and governance issues in relation to decisions and actions that became necessary at short notice as a result of Covid-19.

Detailed training of new and existing employees, numerous bilateral consultations on compliance and governance issues, internal processes and policies and continuous monitoring of compliance with internal guidelines were also at the forefront of compliance activity.

 Another focus of activity was the adaptation of the code of ethics and the code of conduct and other internal guidelines, in the process of which we have consolidated our existing sustainability principles.

### Preventing corruption

 CA Immo rejects every kind of corruption and to this end has defined compulsory principles (**zero tolerance**). All actions and decisions taken by CA Immo must be free of any appearance of a conflict of interest according to reasonable, objective and economic considerations. Corrupt business practices on the part of employees or external service providers are not tolerated. Even the appearance of corrupt business practices must be avoided. As a guiding principle, we do not make any payments or grant any other benefits of monetary value; nor do we accept any payments in order to obtain business advantages contrary to (competition) law. This applies to business partners as well as public authorities and their employees. Monetary gifts or unauthorised payments to business partners, authorities and political institutions are strictly prohibited and will be regarded as (attempted) bribery.

Furthermore, as a matter of principle, employees may not accept or offer gifts that are inappropriate in terms of their social or monetary value. It is strictly prohibited to offer, promise or grant money or non-cash benefits of any kind to public officials. CA Immo has issued detailed guidelines on gifts and donations for employees. These specify which benefits are permitted or prohibited and to what extent.

Employees are expected to report any suspicions internally. In addition, employees and external third parties can report suspected misconduct anonymously and in the languages of the countries in which CA Immo is active via the **web-based whistleblower system** set up by CA Immo. The whistleblower platform can be accessed via the CA Immo website ([Whistleblower System \(caimmo.com\)](https://www.caimmo.com/Whistleblower-System)); business partners are made aware of this possibility.

Counter-corruption measures are reported to the Supervisory Board and the audit committee at least once a year. Instances of potential corruption are investigated by the Group Auditing department on the basis of the auditing plan approved by the audit committee or special audit mandates issued by the Management Board, audit committee or full Supervisory Board. All operational Group companies are investigated for corruption risks at regular intervals.



## DIVERSITY MANAGEMENT



CA Immo operates in numerous countries of different languages and cultures and recognises the diversity and rights of every individual. Within its own sphere of influence, CA Immo is therefore committed to upholding the human rights defined internationally in the **UN Charter** and the **European Convention on Human Rights** and to upholding ethical standards in all actions at all times. CA Immo categorically rejects any violation of these human rights, whether it arises within associated enterprises, partner companies or the entire supply and value chain. Violations include any form of forced and/or child labour (as defined in the **Minimum Age Convention - C138** and **Forced Labour Convention - Co29**) and discrimination based on gender, sexual orientation, marital status, regional/social origin, race, skin colour, religion, world view, age, ethnical affiliation, handicap of any kind or any other reason.

Potential risks arising from human rights violations are assessed at yearly intervals as part of the evaluation of compliance risks according to probability of occurrence and possible amount of damage. In addition, employees throughout the Group receive training on our values and code of conduct as well as typical compliance risks at least every two years.

CA Immo respects the rights, interests and needs of its employees and pays attention to their individuality in order to establish a corresponding equality of rights and opportunities. With this in mind, CA Immo commits to fair and respectful treatment of our employees in its corporate social responsibility (“CSR”) policy. At the same time, CA Immo commits its employees to respectful and

fair behavior towards each other and towards third parties (applicants, service providers, contractual partners etc.).

### Gender diversity

CA Immo ensures equality and balance in the composition of its employee structure, across the workforce as a whole and at all managerial and executive levels. Aside from professional qualifications, the recruitment process adheres to a policy of non-discrimination between women and men. Since 2020, CA Immo supports the initiative Women in Leadership (F!F)<sup>1)</sup>, which actively promotes the change towards more diversity and a contemporary leadership culture in the real estate industry.

As at the balance sheet date, the proportion of women working for the Group stood at approximately 51% (52% in 2019). The proportion of women was highest in the CEE subsidiaries (72%), followed by Austria (63%) and Germany (38%).

The **proportion of female managers** has increased from 30% on 31 December 2019 to 32% on 31 December 2020. Women are specifically targeted in internal succession planning and the filling of management positions. In the event of equivalent qualification profiles, preference is given to female applicants in the recruiting process. Part-time employment does not preclude a managerial position (this model has been used by one executive since 2019). The gender balance is also considered in graduate and talent management programmes.

There are still no women on the Management Board of CA Immo. Four women serve on the Supervisory Board, where the total proportion of women is 33%; analysed separately, women make up 38% of shareholder representatives and 25% of employee representatives.

<sup>1)</sup> <https://www.frauen-in-fuehrung.info/>

GENDER DIVERSITY <sup>1)</sup>

in %	Men	Women	Base pay	Gender pay gap <sup>2)</sup> Total remuneration
Supervisory Board (total)	67	33	N/A	N/A
Supervisory Board (capital representatives)	62	38	N/A	N/A
Supervisory Board (employee representatives)	75	25	N/A	N/A
Management Board	100	0	N/A	N/A
Executives	68	32	-1,1%	-2,1%
Employees	45	55	8,6%	8,2%
<b>Total</b>	<b>49</b>	<b>51</b>		

<sup>1)</sup> N/A: not applicable, as no comparison is possible

<sup>2)</sup> Calculation according to EPRA Sustainability Best Practices Recommendations Guidelines

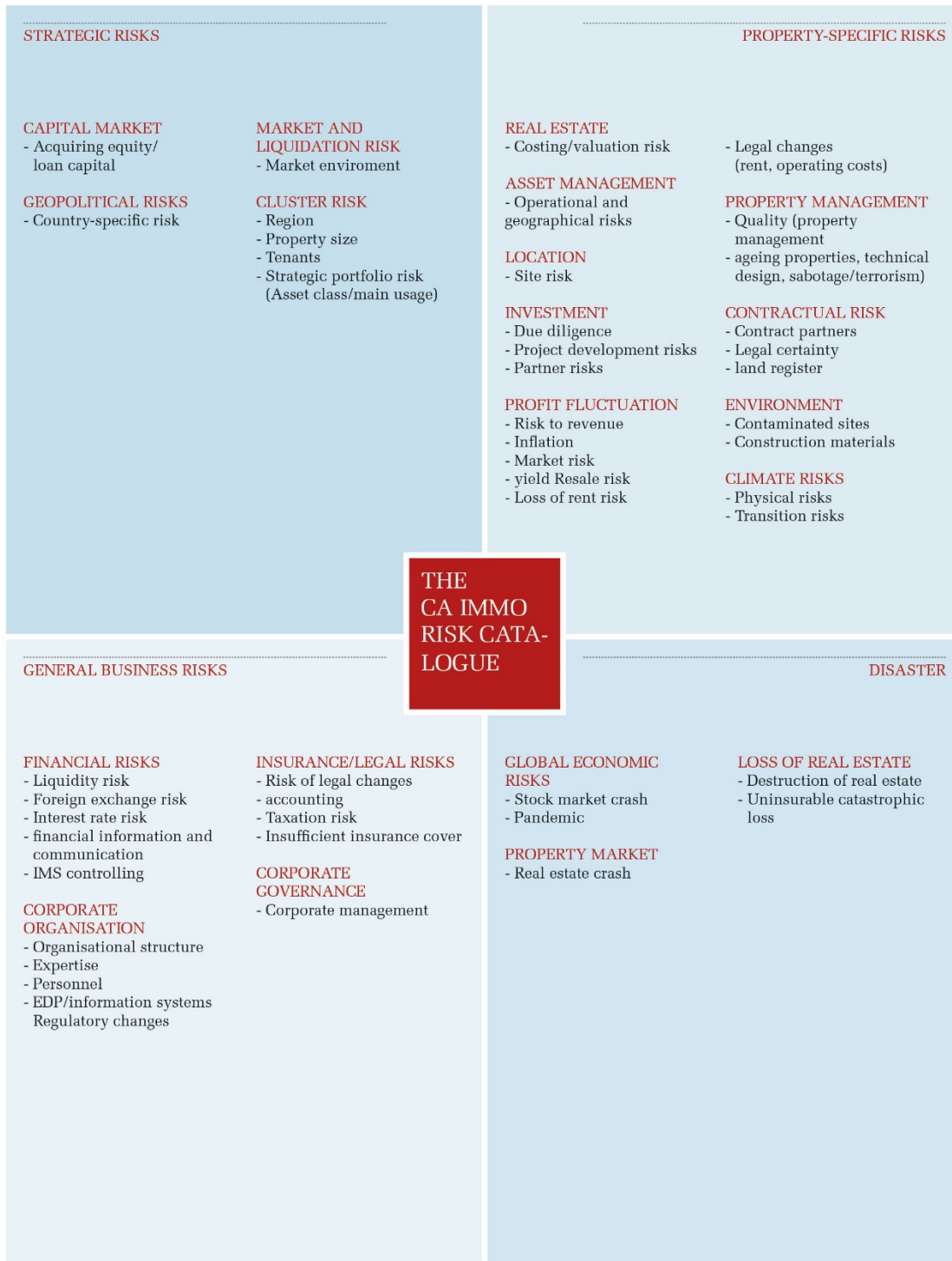


At the end of 2020, CA Immo entered into a **cooperation agreement** with the company **myAbility Social Enterprise GmbH**. myAbility is a social consultancy that aims to create equal opportunities and make society barrier-free from within the economy. <sup>1)</sup> At the Frankfurt site, CA Immo has launched the cooperation as a pilot project to give students with handicaps insights into various specialist departments.

CA Immo makes it possible to reconcile professional and family life by offering flexible working hours, part-time options, working from home, paternity leave and 'fathers' month'. Employees on a leave of absence remain linked to the internal information network and are invited to participate in annual team meetings and company events.

<sup>1)</sup> <https://www.myability.org/>

# RISK REPORT



## RISK MANAGEMENT AT CA IMMO

To ensure the success of CA Immo as a business in the long term and enable the company to meet its strategic objectives, effective management of new and existing risks is essential. A commensurate measure of risk must be accepted if we are to utilise market opportunities and exploit the potential for success they hold. For this reason, risk management and the internal monitoring system (IMS) deliver an important contribution to the Group's corporate governance (defined as the principle of responsible management).

CA Immo's risk management system is based on the following elements:

- Risk culture: CA Immo's reputation is central to our identity and business success. Therefore, compliance with established principles of corporate governance and value management is a matter of course. For CA Immo, risk culture implies the raising of risk awareness and the establishment of a conscious approach to risk in day-to-day business –for managers and individual employees alike.
- Risk strategy: The risk strategy describes how risks stemming from business strategy are managed and identifies the risks in terms of their impact on the company's economic situation and the relevant guidelines on managing risks.

### Strategic alignment and tolerance of risk

With the approval of the Corporate Development committee established in 2019 and the Supervisory Board, the Management Board defines the strategic direction of the CA Immo Group as well as the nature and extent of risks the Group is prepared to accept in pursuit of its strategic objectives. The Risk Management department supports the Management Board in assessing the risk environment and developing potential strategies to raise long-term stakeholder value. An internal risk committee comprising representatives from all business areas and the CFO has also been set up; this convenes quarterly or, if necessary, in special sessions (in response to the Covid-19 situation, for example). The purpose of the committee is to provide additional assurance in regularly assessing the Group's risk situation across departmental boundaries and introducing measures as necessary. The aim of this is to ensure the company adopts the best possible direction from the alternatives available.

### Identification of risks and assessment

CA Immo evaluates the opportunity/threat situation through quarterly reporting. Risk is assessed in relation to specific properties and projects as well as (sub)portfolios. The company incorporates early warning indicators such as rent forecasts, vacancy analyses, continual monitoring of lease agreement periods and the possibility of terminations; construction costs are also tracked throughout project implementation. Scenarios are envisaged regarding the value trend for the real estate portfolio, exit strategies and liquidity planning; these supplement risk reporting and promote reliable planning. CA Immo observes the precautionary principle by applying the full investment horizon to long-term planning and investment decisions. The company also evaluates specific risks at regular intervals every three years, focusing on content, effect and likelihood of occurrence. An annual update is also carried out with regard to the estimated impact on the result, assets or liquidity of CA Immo ('extent of damage') and the probability of occurrence within a period of one year. Measures and controls already implemented are taken into account to determine the net risk. The Management Board uses this data as the basis for determining the severity and type of risks that it regards as acceptable in pursuing its strategic objectives. Strategies adopted by the Management Board are incorporated into the Group's three-year planning; this assists the Group in communicating its willingness to take risks and its expectations, both internally and externally.

The risk policy of CA Immo is defined by a range of guidelines, observance of which is continually monitored and documented by controlling processes. Risk management is obligatory at all levels of the company. The Management Board is involved in all risk-relevant decisions and bears overall responsibility for such decisions. At all levels, decisions are subject to the dual verification principle. Internal Auditing, an independent division, reviews operational and business processes, appointing experts from outside as necessary; it acts independently in reporting and evaluating audit results.

### Evaluating the functionality of risk management

The proper functioning of the risk management system is evaluated annually by the Group auditor in line with the requirements of C Rule no. 83 of the Austrian Corporate Governance Code. The results are reported to the Management Board and the audit committee.

## KEY FEATURES OF THE INTERNAL MONITORING SYSTEM (IMS)

CA Immo's internal monitoring system covers all principles, procedures and measures designed to ensure the effectiveness, cost-effectiveness and accuracy of accounting as well as compliance with relevant legal regulations and company guidelines. The IMS is integrated into individual business processes, taking account of management processes. The objectives of the IMS are to preclude and expose errors in accounting and financial reporting, thus enabling amendments to be introduced in good time. Transparent documentation makes it possible to depict accounting, financial reporting and auditing processes. All operational areas are incorporated into the financial reporting process. Competent local management teams are responsible for implementing and monitoring the IMS; the managing directors of subsidiaries are required to perform their own checks in order to assess and document compliance with monitoring measures. The effectiveness of the IMS is regularly assessed by the Group Auditing department while the cost-effectiveness of business processes is continually evaluated. The results of these assessments are reported to the responsible executive boards, the full CA Immo Management Board and (at least once a year) the audit committee.

## STRATEGIC RISKS

CA Immo defines strategic risk as the danger of unexpected deviations from company plans or the losses that can result from management policy decisions on the direction taken by the company. These risks generally arise from unexpected changes in the macroeconomic market environment. Many of the risks mentioned here are not actively manageable.

Amongst other things, the economic success of CA Immo depends on the **development of real estate markets of relevance to the Group**. Key factors influencing the economic trend include the general situation of the global economy, the trend in rental prices, the inflation rate, levels of national debt and interest rates. In the office properties segment, factors such as economic growth, industrial activity, the unemployment rate and consumer confidence play a major role alongside other factors critical to the economic trend. These circumstances – all of which are beyond the company's control – may have a negative impact on the broad economic picture in Europe and thus adversely affect economically

powerful countries like Germany and Austria; they may also impair the finance and real estate sector generally. Any downturn in the economic situation has the potential to reduce demand for real estate, which in turn can adversely affect occupancy rates, property values and even the liquidity of real estate.

Although the economic environment remains characterised by low interest rates and relatively high property portfolio valuations, the possibility of an **interest rate rise** negatively affecting the real estate market – and thus property valuations and the divestment plans of CA Immo – cannot be discounted. Acquiring equity and loan capital could become significantly more difficult, making expansion plans almost or completely impossible. The possible reintroduction of national **currencies** by individual eurozone members would also have grave consequences for the economies and financial markets of Europe. Finally, the departure of individual nations from European currency union could lead to a complete collapse of the monetary system.

**Geopolitical risks** such as political instability, lack of basic legislation and arbitrary government practices offset the economic opportunities offered by enterprises in other countries. Consequently, enterprises operating in unstable regions must allow for significant impacts on their business activities, such as tax increases, customs duties, export bans, expropriations and asset seizures. Where properties are concentrated too strongly in a single region, these factors can also have a considerable influence on the profitability of the CA Immo Group.

### Impact of the Covid-19 pandemic

Across the board, business year 2020 was impacted by the global Covid-19 pandemic as many countries imposed general lockdowns and travel restrictions. As a result, market activity was severely affected in many sectors as of the second quarter of 2020.

The pandemic continues to have Europe firmly in its grip. As infection figures skyrocketed practically everywhere from the third quarter of 2020 onwards, countries once again responded with far-reaching restrictions. Renewed lockdowns are likely to cause the European economy to contract even more sharply than had been expected in mid-2020 (see also "Economic environment" chapter).

The real estate sector is also experiencing the consequences of the pandemic already, with some real estate markets reporting significantly lower levels of transaction activity and liquidity. Hotels are closing due to low occupancy rates and retailers are increasingly requesting rent deferrals or rent reductions in the face of significant sales losses. Some construction sites cannot operate as planned. The short- and long-term economic impact of the Covid-19 pandemic on real estate markets remains highly uncertain. The longer the crisis lasts, the more complex and severe the effects become.

Due to the pandemic and the associated economic slump, the **real estate transaction market** has declined sharply, with the exception of Germany. The volume of commercial property transactions registered in CA Immo's core markets was between 30% (Eastern Europe) and 50% (Austria) down on the previous year. In Germany, the decline amounted to less than 6% in comparison with the record result of the previous year. Transactions were paused or even cancelled due to difficulties in pricing and financing.

With the exception of Vienna, where **letting performance** has remained steady so far and the effects are only expected in 2021, all of CA Immo's core cities have seen a decline in demand for office space and/or an increase in vacancy rates due to the challenging conditions caused by the pandemic and its economic impact. Now that both transaction and letting activities have declined significantly, extended marketing and vacancy periods for unlet units are also likely in the future. As demand for office space is primarily dependent on macroeconomic developments, it remains to be seen how the significant decline in office space take-up in 2020 will actually develop in fiscal year 2021. It also remains unclear how the expansion of digital working processes linked to the crisis and the rise of the home office will affect demand for office space in the medium term. The possibility of the office market being more strongly influenced in future by the trends towards flexible office space leases and co-working cannot be ruled out.

Across its tenant base (office, hotel, retail), the Group is confronted with requests for waivers, reductions or deferrals of rental payments. The legal framework varies from country to country. In the event of Covid-19-related official shut-downs or restrictions of operations, Austrian law provides for a special statutory right to reduce rent,

whereas in other countries, in the absence of specific statutory provisions, there is generally an obligation to pay rent; a right to reduce rent can only be established by way of exception and in individual cases via general legal provisions (such as the lapse of the contractual basis). However, deviating contractual provisions can also justify a tenant's right to reduce rents. The extent to which the measures taken to contain the Covid-19 pandemic will lead to **insolvencies of individual tenants** and thus to an increase in vacancy rates cannot yet be estimated and will largely depend on the duration of the crisis. In particular the hotel, restaurant and non-systematically relevant retail sectors are suffering disproportionately from the prevailing situation. Depending on the asset class, further rent waivers, rent reductions and rent deferrals are likely. CA Immo responds to this risk by analysing the property portfolio, tenant structure and cash flow, among other things, and performs various scenarios to assess the risks. Case-by-case assessment is generally necessary.

In view of the uncertain future impact of the Covid-19 pandemic and the related current and future measures on the property markets, plus the fact that it is difficult to distinguish between short-term effects and longer-term structural market changes, CA Immo regularly reviews its **property valuations**. Following a near-complete external valuation of the Group's portfolio in the fourth quarter of 2020, values for the property assets as at the reporting date of 31 December 2020 were updated or adjusted on the basis of binding purchase agreements or external valuations. Taking into account the current exceptional circumstances and low levels of transactions, property valuations must continue to be handled with greater caution than is normally necessary, especially in the core markets of Austria and Eastern Europe.

Given the current market conditions – with rising construction costs, supply and timing problems, fluctuating financing rates, uncertain marketing periods and a lack of comparative values – it is inevitable that a higher uncertainty factor will apply to **project developments**. Land values could therefore fluctuate much more than would be the case under normal circumstances.

For further information on changes in fair values, please refer to the Annual Report chapter 'Property Valuation' starting on page 57.

The long-term effects of the outbreak of the Covid-19 pandemic remain to be seen, although volatility and uncertainty on stock markets, corporate profit warnings and negative economic forecasts underline the potential dangers to the European and global economies. The effects cannot be conclusively assessed given the fast-moving situation, and are subject to ongoing evaluation. Temporary restrictions on current operations (also caused by exit restrictions, curfews, border closings, school/business shut-downs and other constraints) may affect the CA Immo Group, tenants, customers and suppliers as well as authorities. The consequences in terms of finance, general business and real estate in particular cannot be fully gauged (e.g. payments by tenants which are not in accordance with contracts, delays in construction activities, effects on real estate markets, development of covenants for current financings, effects on planned real estate transactions). The CA Immo Group applies a wide range of possible measures to minimise the impact.

Information on the wide-ranging protective measures implemented by CA Immo in the course of the Covid-19 pandemic to ensure a safe working environment for CA Immo employees, tenants and workers on CA Immo construction sites can be found in the ESG report starting on page 8.

## PROPERTY-SPECIFIC RISKS

### Risks linked to the market environment and composition of the portfolio

The real estate market is determined by macroeconomic development and demand for properties. Economic instability and restricted access to loan capital and equity-based financing can lead to business partners opting out. Where the liquidity of the real estate investment market is insufficient, there is a risk that sales of individual properties with a view to strategic adjustment of the real estate portfolio may prove impossible or only possible under unacceptable conditions. Many factors that can lead to unfavourable developments are outside of CA Immo's control. These include changes to available income, economic output, interest rates and tax policy. Economic growth, unemployment rates and consumer confidence also influence supply and demand levels for real estate at a local level. This can affect prices of properties, market rents and occupancy rates while adversely affecting the value of properties and associated income. For this reason, strongly negative effects on earning power and property valuations cannot be ruled out.

Property values depend not only on the development of rental rates, but also on real estate starting yields. Given the general market environment, there is still a risk that starting yields for commercial real estate will be adjusted upwards. The historically high price of property investment is combining with low real estate yields to create risks to the **value of properties** in the CA Immo portfolio. Due to sustained pressure from investors, there is also the risk that properties are only available to purchase at inflated prices. The possibility of an increase in general interest rates that forces property yields up and subsequently property values down cannot be ruled out.

CA Immo counters **market risk** by spreading its portfolio across various countries. CA Immo counters **country-specific risk** by concentrating on strategic core regions through local subsidiaries with their own on-site staff, and through appropriate regional allocation within those core markets. The focus here is on markets that exhibit the long-term structural trends of increasing urbanisation, positive demographic change, and structural supply shortages as well as high investment liquidity. Market knowledge, continual evaluation of strategy, monitoring of the portfolio and purposeful portfolio management in the context of strategic decision-making (e.g. defining exit strategies, medium-term planning of sales) enable the company to respond quickly to economic and political events. CA Immo negates **transfer risk** by repatriating liquid assets from investment markets with a low credit standing. Active portfolio management aims to prevent **concentration risk** and maintain a balanced portfolio structure. CA Immo is currently active in Germany, Austria and selected CEE markets. Germany is currently the largest single market of CA Immo, accounting for a share of 55% of the total portfolio, although regional portfolio target distribution envisages a medium-term increase in the German share to 60-65%. CA Immo is part of the EPRA Developed Europe Index, which supports the capital market positioning and the overall rating. To this end, an aggregate EBITDA contribution of Germany, Austria and Poland of more than 50% is targeted. In order to maintain critical market relevance, real estate assets of approximately € 500 m are to be held in each core city. In terms of asset classes, CA Immo concentrates on modern, high-quality office properties, with a focus on prime inner-city locations. The development business segment also realises property developments and construction projects with other usage types (e.g. residential, hotel), which are generally sold after successful development or completion.

For **single investments**, CA Immo currently defines concentration risk as a limit value of 5% of the total portfolio. The only property in this category as at the balance sheet date was the Skygarden office building in Munich. The portfolio as a whole is highly diversified: the top ten Group assets represent less than 30% of the total portfolio. The concentration risk in respect of **single tenants** is also manageable. As at 31 December 2020, the top ten tenants were generating some 21% of rental revenue. With an approximate share of 3% of total rental income, PricewaterhouseCoopers followed by Intercity Hotel GmbH are currently the biggest individual tenants in the portfolio. In general, single tenants should not account for more than 5% of total annual rental income over an extended period, although tenants with excellent credit ratings (AAA/AA) may be an exception. For **single-tenant buildings**, such scenarios should be avoided unless the tenant's credit rating is considered excellent (AAA/AA). A single-tenant scenario is defined as a case where more than 75% of the annual rental income (single property level) is attributable to a single tenant. Generally, rental income from single-tenant buildings should not exceed 20% of total annual rental income. In addition, the average lease term for single-tenant properties should exceed 10 years.

CA Immo creates sustainable value through a comprehensive value chain, from leasing and management to the construction, planning and development of investment properties with highly developed in-house expertise. This reduces functional (performance) risks while maximizing opportunities along the value chain (developer profit). Although, **land reserves** and **land development projects** present specific risks owing to the high capital commitment and absence of steady cash inflows, they also offer considerable potential for value increases through the securing or enhancement of building rights. Risks are regularly reduced via the sale of non-strategic land reserves. The acquisition of building rights on remaining land will be accelerated through the company's own capacity. Overall, CA Immo is aiming for a balanced portfolio; on the basis of balance sheet values, this means around 85% profitable properties and 15% development projects under construction, including land bank reserves.

**Other concentration risks** arising from factors such as the existence of several properties with a market value of more than € 100 m in the same city, the sector mix of tenants, the identity of contractual partners, suppliers or lenders, etc., which cannot be effectively measured or limited in quantitative terms, are subject to regular review.

Political and economic trends in the countries in which CA Immo is active also have a significant impact on **occupancy rates** and rent losses. The earning power and market value of a property is adversely affected where the Group is unable to extend a rental agreement due to expire under favourable conditions or find (and retain for the long term) suitably solvent tenants. The creditworthiness of a tenant, especially during an economic downturn, may diminish over the short or medium term, which can affect rental revenue in turn. In critical situations, the Group can cut rents to maintain an acceptable occupancy rate. Through careful monitoring and proactive measures (such as demanding securities and screening the creditworthiness and reputation of tenants), the Group's **rent default risk** has remained at the low level, despite the negative impact of the Covid-19 pandemic on individual tenants. Subject to the unpredictable economic impact of the pandemic, a decline in rental income cannot be excluded. All outstanding receivables are evaluated quarterly and adjusted according to the level of risk. The risk of lost rent is taken into account to a sufficient degree in the estimation of property values. Many of the Group's lease agreements contain stable value clauses, often taking account of consumer price indices for particular countries. The level of revenue from such rental contracts and new lettings depends heavily on the inflation trend (**sustainable value risk**).

**Competition** for reputable tenants is intense on the lettings market; rent levels are under pressure in many markets. To remain attractive to tenants, CA Immo could be forced to accept lower rental rates. Moreover, incorrect assessments of the attractiveness of **locations** or potential **usages** can make lettings more difficult or significantly impair desired lease conditions.

To a lesser extent, the Group's portfolio also includes **special asset classes** such as shopping malls and hotels whose operation involves certain risks. Poor running of a centre, inadequate corporate management of tenants, declining footfall and increasing competition can force rental rates down and lead to the loss of key tenants, which in turn leads to rent losses and problems with new lettings. Although CA Immo does not operate any hotels itself, the Group's earnings situation also depends on the quality of external hotel management and the development of hotel markets. As mentioned earlier, the negative effects of the Covid-19 pandemic-related lockdowns imposed by the authorities have had a particularly severe impact on hotel operators and the retail sector.



### Risks associated with the project development area

Costs are generally sustained at the early stages of real estate development projects; revenue is not generated until the latter phases of a project. Many development projects may be associated with **cost overruns** and **delays** in completion that are frequently beyond the control of CA Immo. This can adversely affect the economic viability of individual projects and lead to **contractual penalties** and **compensation claims**. If no suitable tenants are found, this can lead to vacancy after completion. CA Immo takes steps such as cost monitoring, variance analyses and long-term liquidity planning to manage such risks to a large extent. With few exceptions, projects are only started subject to appropriate pre-letting that can cover future debt service through rental income. Exceptions are only made in special project and/or market situations (e.g. extreme regional shortage of leasable space with foreseeable rising rents and low letting risk during the project phase) and require explicit reviews when obtaining project approval.

Saturation of the construction industry presents risk to CA Immo as regards the (on time) availability of construction services and the level of building costs. This is now noticeable not only in Germany – the core market for the company's development projects – but in all CA Immo's core regions. Despite making provision for rising costs within project reserves, the fact that further rises in **construction costs** could present a risk to budget compliance and the overall success of a project cannot be ruled out. Another risk is that current property yields might change, thereby reducing target developer profits, even though projects have been calculated defensively. For this reason, CA Immo is increasingly reliant on appropriate market and cost analyses in the development area as well. Projects currently in progress are generally on time and within approved budgets; they are continually monitored as regards cost risk.

### Risks from sales transactions

Sales transactions can produce risks linked to contractual agreements and assurances. These might relate to **guaranteed** income from rental payments and can subsequently reduce purchase sums agreed or received. Sufficient financial provision has been made to counter recognised risks to revenue from transacted sales, and liquidity risk is considered in liquidity planning. Contractual obligations in the form of follow-on costs (e.g. residual construction work) form part of relevant project cost estimates.

### Environmental and climate risks

Environmental and safety regulations include active and latent obligations to remediate contaminated sites. Complying with these provisions can entail considerable investment expenses and other costs. These obligations may apply to real estate currently or formerly owned by CA Immo, or currently or formerly managed or developed by the company. In particular, the provisions cover **contamination** with undiscovered harmful materials or noxious substances, munitions and other environmental risks such as soil pollution, etc. Several regulations impose sanctions on the discharge of emissions into air, soil and water: this can render CA Immo **liable** to third parties, significantly impact the sale and letting of affected properties and adversely affect the generation of rental revenue from such properties. **Natural disasters** and extreme weather conditions can also cause considerable damage to real estate. In principle, insurable risks are insured to the usual extent (e.g. all-risk insurance for development projects). Unless sufficient **insurance** is in place to cover such damage, this can have an adverse impact. To minimise the risk, CA Immo incorporates these considerations into its due diligence audit prior to every purchase; appropriate guarantees are required from sellers. Wherever possible, the CA Immo Group makes use of environmentally sustainable materials and energy-saving technologies. CA Immo observes the ecological precautionary principle by ensuring all (re)development projects qualify for certification.



As a responsible player in the European real estate sector, CA Immo fully supports the **United Nations' climate goals** and the associated transition to a low-carbon, sustainable economy. In order to meet the associated requirements in the best possible way and to secure long-term competitiveness, CA Immo has anchored corresponding measures, processes and goals in its strategic approach (including sustainability certification, sustainability reporting, ESG reporting and green financing). Detailed information on this – in particular on climate risks and opportunities – can be found in the ESG Report starting on page 8.

## GENERAL BUSINESS RISKS

### Operational and organisational risks

Weaknesses in the CA Immo Group's **structural and process organisation** can lead to unexpected losses or additional expenditure. This risk can arise from shortcomings in **EDP** and other **information systems** as well as human error and inadequate internal inspection procedures. Flawed program sequences as well as automated EDP and information systems pose a significant operational risk where their type and scope fail to take account of business volumes or prove vulnerable to cybercrime. Human risk factors include an insufficient understanding of corporate strategy, inadequate internal risk monitoring (and especially business process controls) and excessive decision-making authority at individual level, which can lead to unconsidered actions or a proliferation of decision-making bodies that hinder flexible responses to changes in the market. Some real estate management tasks and other administrative duties are outsourced to external third parties. In the process of transferring administrative tasks, it is possible that knowledge of managed properties and administrative processes can be lost, and that CA Immo could prove incapable of identifying and contractually committing suitable service providers within the necessary timeframe.

Nonetheless, the **expertise** possessed by a company and its workforce constitutes a significant competitive factor and a unique point of distinction over competitors. When key members of staff leave, therefore, the company is exposed to the risk of loss of expertise, which generally requires a significant commitment of corporate resources (money, time, recruitment of new employees) to redress the balance. CA Immo takes various measures to counter these risk factors. In the case of corporate mergers, structured processes of organisational integration are observed. Process organisation (i.e. system/process integration) is firmly established; activities to ensure the long-term implementation of operational processes are ongoing. The Group structure is regularly scrutinised and examined to ensure predefined structures take account of the size of the company. CA Immo counters risks linked to personal expertise (which can arise with the resignation of key knowledge holders) through regular transfers of knowledge (via training courses) and by documenting know-how (in manuals, etc.); far-sighted staff planning also plays a part.

### Legal risks

In the course of normal business activity, the companies of the Group can become involved in **legal disputes**, both as plaintiffs and as defendants. Such cases are heard in various jurisdictions. In each case, different procedural law means that competent courts are not always equally efficient; moreover, in certain cases the complexity of issues in dispute can make for protracted proceedings or lead to other delays. CA Immo believes it has made sufficient financial provisions for legal disputes. At present, no lawsuits or arbitration proceedings that could threaten the company's survival are imminent or pending. In the spring of 2020, CA Immo filed a claim for damages against the Republic of Austria and the state of Carinthia for unlawful and culpably biased influence on the best bidder procedure in the context of privatisation of Federal Residential Property companies in 2004 ('BUWOG') and for the unlawful failure to win the best bidder procedure. The first-instance (though not yet final) criminal verdicts against the defendants (ex-Federal Minister of Finance Grasser et al.), announced in early December 2020, confirmed that actions taken in connection with the BUWOG privatisation proceedings were unlawful and biased. The criminal court referred CA Immo to the civil courts with the asserted private party claims against the defendants for damages of € 1.9 bn. A more detailed assessment of the specific effects of the criminal proceedings on the pending proceedings for damages will only be possible after written judgment has been issued and, subsequently, appeal proceedings have been concluded with a final criminal judgment. A criminal judgment has no procedural binding effect on civil claims for damages asserted against the Republic of Austria and the state of Carinthia. As a precautionary measure, a provision of approximately € 25 m has been formed for court fees in connection with the damages proceedings.

It is not possible to predict changes to **legal provisions**, case law and administrative practice, or the impact of these on business results; such changes may adversely affect real estate values or the cost structure of the CA Immo Group. CA Immo proactively manages such legal risks by taking numerous measures. These include the regular assessment of historical and existing legal risks, continual monitoring of legislative changes and changes in case law, the incorporation of lessons learned into business processes and continuous informative and training measures.

Organised crime, and particularly fraud and extortion, is a general risk to commercial activity. Many countries

continue to perform very poorly in combating **corruption**. Such illegal activity can lead to considerable financial repercussions and negative publicity. The risk of corruption is addressed by the code of conduct ('zero tolerance') and the related gifts and donations policy. Employees are required to report any suspicions internally. Employees and external third parties can also report suspected misconduct anonymously via the electronic whistleblower system set up by CA Immo ([Whistleblower System \(caimmo.com\)](https://www.caimmo.com/whistleblower)). The Supervisory Board is informed at least once a year about measures taken to combat corruption. Corruption-related matters are audited on the basis of the audit plan approved by the audit committee or on the basis of special audit assignments issued by the Management Board, audit committee or full Supervisory Board. All operating Group companies are reviewed for corruption risks on a regular basis.

#### Taxation risk

For all companies, current income and capital gains is subject to income tax in the respective country. Important discretionary decisions must be taken regarding the level of tax provisions that need to be formed. The extent to which active deferred taxes are recognised must also be determined.

Subject to compliance with certain requirements, revenue from the sale of participating interests is fully or partially exempted from income tax. Even where a company intends to meet the requirements, passive deferred taxes are fully applied to property assets according to IAS 12.

Key assumptions must also be made regarding the extent to which deductible temporary differences and loss carry forwards are set off against future taxable profits, and thus the extent to which active deferred taxes can be recognised. Uncertainty arises regarding the amount and timing of future income and the interpretation of complex tax regulations. Where there is uncertainty over the application of income tax to business transactions, an assessment will be required as to whether or not the responsible tax authority is likely to accept the interpretation of the tax treatment of such transactions. In case of doubt, the CA Immo Group enters the tax obligation as the most likely amount on the basis of that assessment. Such doubt and complexity can mean that future tax payments turn out to be significantly higher or lower than the obligations currently assessed as probable and recognised in the balance sheet. The CA Immo Group holds a large part of its real estate portfolio in Germany, where many complex tax regulations must be observed.

In particular, these include (i) provisions on the transfer of hidden reserves to other assets, (ii) legal regulations on real estate transfer tax charges and the possible accrual of real estate transfer tax in connection with direct or indirect changes of control in German partnerships and corporations and (iii) the deduction of input taxes on construction costs in the case of development projects. The CA Immo Group makes every effort to ensure full compliance with all tax regulations. Nonetheless, there are circumstances (some of which are outside the CA Immo Group's control) such as changes to the shareholding structure, changes in legislation or changes in interpretation on the part of tax authorities and courts which could lead to the aforementioned taxation cases being treated differently, which in turn would influence the assessment of tax in the consolidated financial statements.

#### Partner risks

Since CA Immo undertakes a number of development projects as **joint ventures**, the company depends on the solvency and performance capability of partners to some extent; moreover, the Group is exposed to **credit risk** in respect of its counterparties. Depending on the agreement in question, CA Immo could also bear joint liability for costs, taxes and other third-party claims with its co-investors and, where a co-investor **opts out**, be forced to accept liability for their credit risk or their share of costs, taxes or other liabilities.

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## FINANCIAL RISKS

#### Liquidity, investment and refinancing risk

**(Re)financing** on the financial and capital markets is one of the most important considerations for a real estate company. In particular, CA Immo requires loan capital to refinance existing loans and to finance development projects and acquisitions. In effect, therefore, the company is dependent on the readiness of banks and capital markets to provide additional loan capital and extend existing financing agreements under acceptable terms. Market conditions for real estate financing are constantly changing. The attractiveness of financing alternatives depends on a range of factors, not all of which can be influenced by the Group (market interest rates, required securities and so on). This can significantly impair the ability of the Group to raise the completion level of its development portfolio, invest in suitable acquisition projects or meet its obligations in connection with financing agreements.

Although the CA Immo Group has a sufficient level of liquidity as things stand, we must take account of restrictions at individual subsidiary level; access to cash and cash equivalents is limited owing to obligations to current projects and a liquidity requirement to stabilise loans exists in certain instances. There is also a risk that planned sales will be prevented, delayed or transacted at prices lower than expected. Other risks arise from unforeseen **additional funding obligations** in relation to project financing and breaches of covenant in the property financing area or corporate bonds and convertible bonds issued by CA Immo. Where these requirements are violated or default occurs, the relevant contractual partners are entitled to accelerate financing and demand immediate repayment. This could impel the Group to sell real estate or arrange refinancing under unfavourable terms.

CA Immo has fluctuating stocks of cash and cash equivalents which the company invests according to its particular operational and strategic needs and objectives. Sufficient equity capitalisation will be required for the company to retain its Baa2 investment grade (long-term issuer) **rating** as granted by Moody's in December 2015.

CA Immo counters risk of this kind by continually monitoring covenant agreements and effectively planning and securing liquidity. The financial consequences of strategic aims are also taken into account. To control liquidity peaks, the Group has secured a revolving overdraft facility at parent company level. This also ensures the Group can meet unexpected cash flow requirements. In line with the investment horizon for real estate, loans are invariably agreed on a long-term basis. In principle, appropriate financing (e.g. loan or bond) must be guaranteed before binding contracts are concluded in connection with real estate acquisitions. As an alternative and supplement to established means of (equity) capital procurement, the company has also entered into equity partnerships (joint ventures) at project level in the past.

Even with meticulous planning, it is not possible to eliminate liquidity risk, particularly where capital requests linked to joint venture partners are not viable. CA Immo Deutschland has a high capital commitment, which is typical of development projects. Financing has been secured for all projects under construction; additional financing is required for new project launches.

#### **Interest rate risk**

Market-led fluctuations in interest rates affect both the level of financing costs and the fair value of interest hedging transactions concluded. For financing purposes, CA Immo uses banks at home and abroad and issues corporate bonds, thereby opting for a mix of long-term fixed-rate and floating-rate loans. To hedge against impending **interest rate changes** and associated fluctuations in financing costs, greater use is made of derivative financial instruments (interest rate caps, swaps and floors) in the case of floating-rate loans. However, hedging transactions of this kind may prove to be inefficient or unsuitable for achieving targets; they may also result in losses that affect earnings. Moreover, the **valuation of derivatives** can impact negatively on profits and shareholders' equity. The extent to which the Group utilises derivative instruments is guided by assumptions and market expectations in respect of the future interest level, and especially the 3-month Euribor rate. Should these assumptions prove incorrect, the result can be a significant rise in interest expenditure. Continual monitoring of the interest rate risk is therefore essential. No risks constituting a serious and permanent threat to the company exist at the present time. Moreover, CA Immo is increasingly obtaining finance from the capital market. Fixed-interest loans (in the form of corporate bonds, for example) and loans hedged through derivatives currently account for 94% of the total financing volume. Continual optimisation of the financing structure in recent years has served to improve the maturity profile and raise the quota of hedged financial liabilities while reducing average borrowing costs. The pool of unencumbered assets – a key factor in the company's investment grade rating – was also raised, and the rating of CA Immo was consolidated. The financing profile has thus become more robust.

#### **Currency risk**

Since CA Immo is active on a number of markets outside the eurozone, the company is subject to various currency risks. Where rents are payable in currencies other than the euro on these markets and cannot be fully adjusted to current exchange rates in time, **incoming payments may be reduced** by means of exchange rate changes. Where expenses and investments are not transacted in euros, exchange rate fluctuations can impair the **payment capacity** of Group companies and adversely affect the Group's profits and earnings situation.

CA Immo generally counters such risk in that foreign currency inflows are secured by pegging rents to the euro; no significant and direct currency risk exists at present.

The pegging of rents affects the **creditworthiness of tenants** and thus produces an indirect currency risk that can result in payment bottlenecks and loss of rent. Since incoming payments are mainly received in local currency, however, free liquidity (rental revenue less operating costs) is converted into euros upon receipt. This process is continually overseen by the responsible country managers. There is no currency risk on the liabilities side. Currency risks linked to construction projects are hedged according to need on a case-by-case basis, taking account of the currency underlying the order and lease agreement, likely exchange rate development and the calculation rate.

FINANCIAL RISK MANAGEMENT

RISK	EFFECT	COUNTERMEASURE
<p><b>UNFORESEEABLE LIQUIDITY REQUIREMENT</b></p> <ul style="list-style-type: none"> <li>- Lack of liquidity</li> <li>- Capital requests linked to joint venture partners not viable</li> </ul>	<ul style="list-style-type: none"> <li>- Non-utilisation of opportunities</li> <li>- Distress sales</li> <li>- Insolvency</li> </ul>	<ul style="list-style-type: none"> <li>- Continual analysis, planning and monitoring of liquidity</li> <li>- Optimisation of investment</li> </ul>
<p><b>FINANCING</b></p> <ul style="list-style-type: none"> <li>- Breach of covenants</li> <li>- Non-extension of expiring credit</li> <li>- Follow-up financing not secured after project phase</li> </ul>	<ul style="list-style-type: none"> <li>- Cost disadvantages during credit term</li> <li>- Additional requirement for equity or liquidity</li> </ul>	<ul style="list-style-type: none"> <li>- Continual monitoring of the viability of real estate and the fulfilment of covenants from loan agreements</li> <li>- Conclusion of project-related loan agreements, ideally for the long term</li> <li>- Establishment of a liquidity reserve</li> </ul>
<p><b>DEVELOPMENT OF EXCHANGE RATES</b></p> <ul style="list-style-type: none"> <li>- Development of foreign currency rates</li> </ul>	<ul style="list-style-type: none"> <li>- Fluctuation in earnings owing to exchange rate gains/losses</li> </ul>	<ul style="list-style-type: none"> <li>- Harmonising of loan and rental agreements</li> <li>- Rapid conversion of free liquidity into EUR</li> <li>- Forward cover, especially for construction contracts</li> </ul>
<p><b>INTEREST RATE CHANGES/ EVALUATION OF INTEREST RATE HEDGING</b></p> <ul style="list-style-type: none"> <li>- Evaluation of interest rate developments</li> </ul>	<ul style="list-style-type: none"> <li>- Significant fluctuation in earnings and change in equity ratio due to changing interest level (financing costs, evaluation of interest-rate hedges)</li> </ul>	<ul style="list-style-type: none"> <li>- Mix of long-term fixed-rate and floating-rate loans</li> <li>- On-schedule use of derivatives (Swaps/Floors/Caps)</li> <li>- Continuous monitoring of interest rate forecasts</li> </ul>

## ESG APPENDIX

## MATERIAL NON-FINANCIAL PERFORMANCE INDICATORS UNDER SECTION 267 PARA. 2 UGB (NADIVEG).

CA Immo Focus areas	EPRA-Indicators	Page reference	
Environmental issues	Climate & Energy, Resource Conservation & Circular Economy, Sustainable procurement & Supply chain, Sustainable urban district development	Elec-Abs, Elec-LFL, DH&C-Abs, DH&C-LFL, Fuels-Abs, Fuels-LFL, Energy-Int, GHG-Dir-Abs, GHG-Indir-Abs2, GHG-Indir-Abs3, GHG-Int, Water-Abs, Water-LFL, Water-Int, Waste-Abs, Waste-LFL, Cert-Tot	Impact of business activities on issues: 10 Concepts & results: 12-23, 56-62 Risks: 14-17, 48
Employee issues	Health & Safety, Sustainable procurement & Supply chain	Diversity-Emp, Diversity-Pay, Emp-Dev, Emp-Turnover, H&S-Emp, Emp-Training, H&S-Asset, H&S-Comp, Comty-Eng	Impact of business activities on issues: 10 Concepts & results: 13, 24-30, 31-40, 63-64 Risks: 14-17, 42-52
Social issues	Health and safety, Sustainable procurement / supply chain		
Respect for human rights	Business Ethics, Corporate Governance & Compliance	Gov-Board Gov-Select Gov-CoI	Impact of business activities on issues: 10 Concepts & results: 13, 24-30, 31-40 Risks: 42-52
Combating corruption and bribery	Business Ethics, Corporate Governance & Compliance		

## REPORTING ACCORDING TO THE TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES (TCFD)

Subject areas	Topics	Chapter	Page
Governance	The Board's monitoring of climate-related risks and opportunities	Corporate Governance Report, Risk Report, ESG Report	14, 35-36, 42-43
	Management's role in assessing and managing climate-related risks and opportunities	Corporate Governance Report, Risk Report, ESG Report	14, 35-36, 42-43
Strategy	Short-, mid- and long-term climate-related risks and opportunities the organisation has identified	ESG Report	14-17
	Impact from risks and opportunities on the organisation's operations, strategy and financial planning	ESG Report	10, 14-17
	Preparation of the organisation's strategy in consideration of various climate-related scenarios	Strategy, ESG Report	4-6, 14-17
Risk Management	The organisation's process for identifying climate-related risks	Risk Report, ESG Report	9-10, 14-15, 42-43
	The organisations' processes for managing climate-related risks	Risk Report, ESG Report	9-10, 14-15, 42-43
	Integration of the above processes in the organisations general risk management	Risk Report, ESG Report	14-15, 42-43
Indicators and goals	The organisations indicators for evaluating climate-related risks and opportunities	ESG Appendix, ESG Report	9-10, 12-13, 18-23, 56-62
	Carbon emissions of Scope 1, 2 and 3 under the Greenhouse Gas Protocol and associated risks	ESG Appendix, ESG Report	14-23, 56-62
	Goals for managing climate-related risks and opportunities	ESG Report	12-13

## EPRA SUSTAINABILITY PERFORMANCE MEASURES

We report on our environmental, social and governance engagement in accordance with the EPRA Sustainability Best Practice Recommendations 3rd Edition (sBPR). We address the EPRA sBPR across three sections:

- Overarching recommendations (see this and next page)
- Sustainability performance indicators (see page 56-64)
- Narrative on performance (see ESG Report page 8-30 and Corporate Governance Report on page 31-40).

## OVERARCHING RECOMMENDATIONS ACC. TO EPRA

### Organisational boundaries

For our data boundary, we take an operational control approach. All key figures stated in the course of ESG reporting refer to CA Immobilien Anlagen AG and all fully consolidated subsidiaries in the respective reporting period or reporting date (unless otherwise stated). Consequently, reporting includes exclusively portfolio properties that were in operation and fully-owned by CA Immo throughout the year under review. Properties that were acquired, sold or completed in the reporting period (financial year) and thus were not part of our investment portfolio for the entire period were not included (this concerns three buildings in 2019).

### Coverage

We seek to report on all properties within the organisational boundaries defined above, and for which we are responsible for utilities consumption. This includes properties which are:

- allocated to the office asset class (main type of use)
- multi-tenant buildings (as in single-tenant buildings the procurement of energy, water and waste disposal is usually organised directly by the tenant)
- single-tenant buildings for which an adequate database on energy consumption is available.

Office properties form the core segment of CA Immo; as at the reporting date, office properties accounted for 90% of the total portfolio, the rest was accounted for by hotels (6%) and other types of use (4%). Hotels are single-tenant buildings for which we do not have consumption data and are therefore outside the reporting boundary.

In order to be able to provide a comprehensive data collection for the total energy consumption of our buildings, we seek to obtain tenant consumption data (tenant electricity purchased directly by the tenant) from both all single-tenant buildings and multi-tenant buildings. In some cases, such a presentation would require estimating consumption to a level that would not allow for a meaningful analysis at this time. Thus, for the 2019 financial year, we have excluded three office buildings that are fully let to a single tenant (single-tenant buildings) from the data collection; four single-tenant buildings were recorded and integrated into the consumption data analysis due to the sufficient availability of data.

The table "CO<sub>2</sub> footprint and consumption data of the office portfolio 2018/2019" on page 56-59 includes the consumption data of 56 existing buildings (including utility consumption for seven CA Immo owner-occupied offices located in CA Immo buildings). In total, 76% of the entire CA Immo investment portfolio (by gross lettable area) was included in the consumption data analysis in the 2019 business year. The consumption figures for the three offices used by CA Immo itself that are not located in CA Immo buildings are shown separately in the table on page 60.

### Reporting period

The reporting on the consumption data of our investment portfolio (page 56-62) refers to the calendar year that ended on 31 December 2019, as the consumption data of our buildings for 2020 was only available for about 50% of the buildings (in terms of rental space) by the editorial deadline of the report. The rest of the sustainability reporting refers to the reporting date 31 December 2020, unless otherwise stated.

### Extrapolation methodology for 2020 consumption data

Consumption data for the calendar year 2020 was only available for about 50% of the properties (in terms of rental space) by the editorial deadline for this report. In order to nevertheless be able to give an indication of consumption in 2020, we extrapolated selective consumption data on the basis of the 2019 consumption values, taking into account change factors. For this purpose, the percentage change in the existing consumption data from 2019 to 2020 was determined for each type of energy (electricity, district heating, natural gas) and region (Germany, Austria & CEE) and multiplied by the total consumption values for 2019. Both the changes in consumption due to weather conditions and the reduced occupancy of office space due to the pandemic were taken



into account. The EPRA tables in the ESG Appendix show the full 2018 and 2019 consumption data only.

### Scope of reporting

In reporting on the consumption data of our existing portfolio, we follow the scope definition of the Greenhouse Gas Protocol. This only includes resources that we procure as a landlord to supply the common areas and provide shared services (heating, cooling), Scope 1 and 2:

- Scope 1: Direct emissions from the combustion of energy sources procured directly by CA Immo (natural gas)
- Scope 2: Indirect emissions from the provision of energy sources procured by CA Immo outside CA Immo properties (electricity and district heating)
- Scope 3: Indirect emissions generated within the CA Immo value chain. This includes energy volumes procured directly by tenants or procured by CA Immo for direct onward transmission to its tenants (submetering).

Portfolio GHG emissions have been calculated using 2018 and 2019 location-based conversion factors provided by the IEA (for electricity) and the DEFRA (district heating and fuels).

### Estimation of landlord-obtained utility consumption

Total energy consumption is based on invoices and meter readings where applicable. Water consumption is also based on invoices. No estimates were made for water and energy data (electricity, gas, district heating & cooling), this is applicable to absolute and like-for-like measures. In some cases, we have converted waste data indicated in volumetric units. For this we have used density conversion factors developed by the UK Environment Agency.

### Boundaries – Reporting on landlord and tenant consumption

Where possible, the total consumption quantities (energy and water) of the properties were recorded. The total energy quantities include energy purchased by the landlord to supply the technical building equipment and common areas, energy purchased by the tenant, and energy purchased by the landlord, which is passed on directly to the tenants and recorded and invoiced as part of submetering. All three components are reported separately. Water consumption is based on the entire building and therefore also includes tenant consumption. Waste data covers tenant and landlord waste as CA Immo is responsible for waste contracts.

### Analysis – Normalisation

Intensities Energy-Int (building energy intensity), GHG-Int (greenhouse gas emission intensity) and Water-Int (water intensity) were calculated using the gross lettable floor area (sqm, excluding garage parking spaces, including basement and storage area) as the denominator for whole buildings. We are aware of the potential mismatch between the consumption numerator and the denominator in the presentation of the overall building energy intensity indicator, where consumption of electricity in some properties relates only to the common areas and shared services provided by the landlord, while for other buildings data on tenant electricity is also available. For our own offices we report intensity performance indicators using the floor area we occupy in these buildings.

### Analysis – Segment analysis

Segment analysis has been conducted on a geographical basis. The office portfolio includes properties in Germany, Austria and CEE (Czechia, Hungary, Poland, Romania, Serbia, Croatia and Slovakia).

### Analysis – Like-for-like analysis

Like-for-like analysis includes all properties that were in continuous operation and part of the CA Immo portfolio in the last two full reporting years (operational control). To ensure meaningful comparability, the individual performance indicators only include properties for which consumption data is available from both years.

### Key employee figures

Employee figures are reported on the basis of headcounts (HC) of all fully consolidated companies (including employees on unpaid leave and part-time employees, excluding students and interns). If a key figure was calculated with a different basis, this is explained in more detail in a footnote.

ENERGY, WATER CONSUMPTION AND CO<sub>2</sub> FOOTPRINT OF THE OFFICE PORTFOLIO 2018/2019

Indicator	EPRA	Boundaries	Unit of measure	Total Portfolio		
				2018 <sup>8)</sup>	2019	% change
Electricity consumption	Elec-Abs	Total energy consumption from electricity	kWh	139,391,171	160,787,083	15.3%
		Landlord obtained, common areas/shared services <sup>1)</sup>		79,880,822	81,224,305	1.7%
		Landlord obtained, tenant areas (submetered)		51,077,470	60,214,306	17.9%
		Tenant obtained, tenant area		8,432,879	19,348,472	129.4%
		% from renewable sources		0%	0%	
Electricity consumption LFL	Elec-LFL	Total energy consumption from electricity	kWh	139,391,171	131,192,066	-5.9%
		Landlord obtained, common areas/shared services <sup>1)</sup>		79,880,822	71,611,015	-10.4%
		Landlord obtained, tenant areas (submetered)		51,077,470	53,415,697	4.6%
		Tenant obtained, tenant area		8,432,879	6,165,353	-26.9%
Energy consumption from district heating and cooling	DH&C-Abs	Whole building <sup>1)</sup>	kWh/sqm	38,035,104	44,624,557	17.3%
		Whole building, tenant obtained		N/A	1,425,438	N/A
		% from renewable sources		0%	0%	
Energy consumption from district heating and cooling LFL	DH&C-LFL	Whole building	kWh/sqm	38,035,104	37,011,172	-2.7%
Energy consumption from fossil fuels	Fuels-Abs	Whole building		58,150,897	63,022,091	8.4%
		% from renewable sources		0%	0%	
Energy consumption from fossil fuels LFL	Fuels-LFL	Whole building	kWh/sqm	58,150,897	56,251,777	-3.3%
Building energy intensity	Energy-Int	Whole building		226	247	9.3%
Building energy intensity, landlord-obtained		Whole building, excl. electricity submetered to tenant areas (tenant electricity)		187	177	-5.5%
Direct GHG emission (total) Scope 1 <sup>2)</sup>	GHG-Dir-Abs	Whole building	kgCO <sub>2</sub> e (location based) <sup>3)</sup>	10,697,439	11,586,611	8.3%
Indirect GHG emission (total) Scope 2 <sup>2)</sup>	GHG-Indir-Abs <sup>3)</sup>	Whole building		38,580,517	37,828,213	-1.9%
Indirect GHG emission (total) Scope 3 <sup>2)</sup>	GHG-Indir-Abs <sup>4)</sup>	Whole building		23,487,898	29,989,984	27.7%
Building GHG emissions intensity	GHG-Int <sup>5)</sup>	Whole building, excl. electricity submetered to tenant areas (tenant electricity)	kgCO <sub>2</sub> e/sqm	52.39	46.29	-11.6%
Total water consumption	Water-Abs	Whole building <sup>6)</sup>	m <sup>3</sup> / sqm	547,792	587,224	7.2%
Water consumption LFL	Water-LFL	Whole building <sup>6)</sup>		547,792	489,637	-10.6%
Building water consumption intensity	Water-Int	Whole building		0.57	0.54	-6.5%
Type and number of assets certified	Cert-Tot <sup>7)</sup>		% of portfolio certified	79	81	2.53

<sup>1)</sup> Procured by the landlord.

<sup>2)</sup> For information on CO<sub>2</sub> conversion factors and scope definition, see ESG Appendix on page 54-55.

<sup>3)</sup> GHG-Indir-Abs excludes emissions from consumption that is exclusively attributable to rental space. This is considered scope 3.

<sup>4)</sup> Reported emissions are assigned to Scope 3, but these values by no means represent full Scope 3 emissions.

<sup>5)</sup> Includes emissions from the electricity purchased by CA Immo for common areas and energy for heating and cooling throughout the building. Electricity purchased directly by tenants or centrally by CA Immo for tenants' areas (recorded via submetering) is excluded, as complete consumption values for tenant electricity are not available for all buildings.

<sup>6)</sup> Municipal supply.

<sup>7)</sup> Base: office properties; Please see page 62 for a detailed list of certified properties;

<sup>8)</sup> Due to changes in data collection and improvements in overall data quality, 2018 consumption data differs slightly from the data reported in the 2019 Annual Report.

No estimates were made for water and energy data (electricity, gas, district heating & cooling), neither for absolute nor like-for-like data. LFL: like-for-like

Germany	Austria	CEE	Germany	Austria	CEE
<b>2018 <sup>8)</sup></b>			<b>2019</b>		
13,193,134	9,456,052	116,741,986	21,546,998	11,949,447	127,290,638
6,301,408	7,914,899	65,664,515	5,270,429	8,877,544	67,076,332
-	-	51,077,470	-	-	60,214,306
6,891,726	1,541,153	-	16,276,569	3,071,903	-
0%	0%	0%	0%	0%	0%
13,193,134	9,456,052	116,741,986	9,769,059	9,569,285	111,853,722
6,301,408	7,914,899	65,664,515	5,270,429	7,902,562	58,438,025
-	-	51,077,470	-	-	53,415,697
6,891,726	1,541,153	-	4,498,630	1,666,723	-
8,404,881	7,118,590	22,511,633	8,853,922	7,274,604	28,496,031
N/A	N/A	N/A	1,425,438	-	-
0%	0%	0%	0%	0%	0%
8,404,881	7,118,590	22,511,633	8,853,922	6,736,494	21,420,756
4,507,880	3,926,979	49,716,038	4,708,384	4,326,723	53,986,984
0%	0%	0%	0%	0%	0%
4,507,880	3,926,979	49,716,038	4,708,384	3,329,311	48,214,082
145.61	154.97	293.78	190.17	154.29	279.77
116.40	143.32	214.37	114.09	134.16	199.46
829,270	722,407	9,145,762	865,636	795,468	9,925,507
4,104,964	2,513,771	31,961,782	3,410,850	2,560,021	31,857,342
2,766,339	229,632	20,491,927	6,143,030	442,661	23,404,293
29.89	24.46	63.91	25.91	21.98	55.72
46,305	50,589	450,899	56,113	54,263	476,848
46,305	50,589	450,899	51,421	50,938	387,278
0.26	0.38	0.70	0.29	0.36	0.64
80	19	89	71	33	96

WASTE GENERATED IN THE OFFICE PORTFOLIO 2018/2019

Indicator	EPRA code	Boundaries	Unit of measure	Total Portfolio		
				2018 <sup>1)</sup>	2019	% change
Total waste		Whole building	Tonnes	9,673	13,653	41.1
Weight of waste by disposal route (absolute)	Waste-Abs	Landfill with or without energy recovery	Tonnes	4,068	8,395	106.4
		Incineration with or without energy recovery		3,681	2,640	-28.3
		Reuse		-	79	N/A
		Recycling		1,614	2,286	41.7
		Materials Recovery Facility		193	232	20.2
		Compost		117	7	-94.0
		Other		-	12	N/A
		Total diverted		5,605	5,257	-6.2
Weight of waste by disposal route (%)	Waste-Abs	Landfill with or without energy recovery	% disposal route	42%	61%	-
		Incineration with or without energy recovery		38%	19%	
		Reuse		0%	1%	
		Recycling		17%	17%	
		Materials Recovery Facility		2%	2%	
		Compost		1%	0%	
		Other		0%	0%	
		Total diverted		58%	39%	
Total weight of waste like-for-like		Total building	Tonnes	9,673	12,053	24.6
Like-for-like weight of waste by disposal route (absolute)	Waste-LFL	Landfill with or without energy recovery	Tonnes	4,068	7,254	78.3
		Incineration with or without energy recovery		3,681	2,498	-32.1
		Reuse		-	79	N/A
		Recycling		1,614	1,987	23.1
		Materials Recovery Facility		193	219	13.47
		Compost		117	4	-96.3
		Other		-	12	N/A
		Total diverted		5,605	4,800	-14.4
Like-for-like weight of waste by disposal route (%)	Waste-LFL	Landfill with or without energy recovery	% disposal route	42%	60%	-
		Incineration with or without energy recovery		38%	21%	
		Reuse		0%	1%	
		Recycling		17%	16%	
		Materials Recovery Facility		2%	2%	
		Compost		1%	0%	
		Other		0%	0%	
		Total diverted		58%	40%	

<sup>1)</sup> Due to changes in data collection and improvements in overall data quality, 2018 consumption data differs slightly from the data reported in the 2019 Annual Report.

No estimates were made for waste data, neither absolute nor like-for-like. In some cases, we converted waste data reported in volumetric units. Density conversion factors developed by the UK Environment Agency were used.

	Germany	Austria	CEE	Germany	Austria	CEE
	<b>2018 <sup>1)</sup></b>			<b>2019</b>		
	2,046	2,197	5,430	866	2,291	10,496
	-	2,122	1,946	0	2,166	6,229
	987	-	2,694	442	25	2,173
	-	-	-	68	-	12
	820	75	719	286	97	1,903
	149	-	44	54	2	176
	90	-	27	4	-	3
	-	-	-	12	-	0
	2,046	75	3,484	866	125	4,267
	0%	97%	36%	0%	95%	59%
	48%	0%	50%	51%	1%	21%
	0%	0%	0%	8%	0%	0%
	40%	3%	13%	33%	4%	18%
	7%	0%	1%	6%	0%	2%
	4%	0%	1%	0%	0%	0%
	0%	0%	0%	1%	0%	0%
	100%	3%	64%	100%	5%	41%
	2,046	2,197	5,430	866	2,109	9,078
	-	2,122	1,946	-	2,026	5,228
	987	-	2,694	442	-	2,056
	-	-	-	68	-	12
	820	75	719	286	83	1,618
	149	-	44	54	-	165
	90	-	27	4	-	0
	-	-	-	12	-	0
	2,046	75	3,484	866	83	3,850
	0%	97%	36%	0%	96%	58%
	48%	0%	50%	51%	0%	23%
	0%	0%	0%	8%	0%	0%
	40%	3%	13%	33%	4%	18%
	7%	0%	1%	6%	0%	2%
	4%	0%	1%	0%	0%	0%
	0%	0%	0%	1%	0%	0%
	100%	3%	64%	100%	4%	42%

ENERGY, WATER CONSUMPTION AND CO<sub>2</sub> FOOTPRINT OF OWN-USED OFFICES 2018/2019

Indicator	EPRA code	Unit of measure	2018 <sup>1)</sup>	2019	% change
Total electricity consumption <sup>2)</sup>	Elec-Abs	kWh	244,058	140,019	-42.6%
Electricity consumption LFL	Elec-LFL		144,626	140,019	-3.2%
Total energy consumption from district heating and cooling <sup>2)</sup>	DH&C-Abs		367,065	231,730	-36.9%
Consumption from district heating and cooling LFL	DH&C-LFL		194,980	231,730	18.8%
Total energy consumption from fossil fuels <sup>3)</sup>	Fuels-Abs		-	-	-
Energy intensity	Energy-Int	kWh/sqm	100	97	-3.1%
Direct GHG emission (total) Scope 1	GHG-Dir-Abs	tCO <sub>2</sub> e (location based)	-	-	-
Indirect GHG emission (total) Scope 2	GHG-Indir-Abs		142	90	-36.5%
GHG emissions intensity of areas	GHG-Int	kgCO <sub>2</sub> e/sqm	23.28	23.56	1.2%
Total water consumption <sup>4)</sup>	Water-Abs	m <sup>3</sup>	996	850	-14.7%
Water consumption LFL <sup>4)</sup>	Water-LFL		574	850	48.0%
Building water consumption intensity	Water-Int	l/ sqm	163.64	222.39	35.9%
Type and number of assets certified	Cert-Tot	Type and number	2 (DGNB Gold)	2 (DGNB Gold)	0

<sup>1)</sup> Due to changes in data collection and improvements in overall data quality, 2018 consumption data differs slightly from the data reported in the 2019 Annual Report

<sup>2)</sup> For the indicators total electricity consumption and energy consumption from district heating and cooling, the percentage from renewable sources is 0%

<sup>3)</sup> There is no fuel consumption in any own used office

<sup>4)</sup> Data relates to municipal supply

No estimates were made for water, waste and energy data (electricity, gas, district heating & cooling), neither for absolute nor for like-for-like data. LFL: like-for-like. The table contains data on three (2018: four) own-used offices not located in CA Immo buildings (CA Immo branches in Munich and Frankfurt – omniCon and CA Immo). Consumption data for the remaining seven own-used offices is included in the tables on page 56-59.

WASTE GENERATION IN OWN-USED OFFICES 2018/2019

Indicator	EPRA code	Boundaries	Unit of measure				Like-for-like		% change
				2018 <sup>1)</sup>	2019	% change	2018	2019	
Weight of waste by disposal route (absolute)	Waste-Abs	Total Waste	Tonnes	112.73	31.38	-72	31.38	31.38	0
		Landfill with or without energy recovery		81.35	0.00	-100	-	-	-
		Incineration with or without energy recovery		6.41	6.41	0	6.41	6.41	0
		Reuse		-	-	-	-	-	-
		Recycling		24.74	24.74	0	24.74	24.74	0
		Materials Recovery Facility		-	-	-	-	-	-
		Compost		-	-	-	-	-	-
		Other		0.23	0.23	0	0.23	0.23	0
		Total diverted		31.38	31.38	0	31.38	31.38	0
Weight of waste by disposal route (%)	Waste-Abs	Landfill with or without energy recovery	% disposal route	72%	0%		-	-	
		Incineration with or without energy recovery		6%	20%		20%	20%	
		Reuse		-	-		-	-	
		Recycling		22%	79%	-	79%	79%	-
		Materials Recovery Facility		-	-		-	-	
		Compost		-	-		-	-	
		Other		-	1%		1%	1%	
					Total diverted		28%	100%	

<sup>1)</sup> Due to changes in data collection and improvements in overall data quality, the 2018 consumption data differs slightly from the data reported in the 2019 Annual Report.

Waste data by weight was not available for Klaus-Mann-Platz 1 (CA Immo branch office in Munich)

COVERAGE OF THE CA IMMO OFFICE PORTFOLIO 2018/2019 <sup>1)</sup>

Indicator	EPRA	2018			2019		
		Area <sup>2)</sup>	Number <sup>3)</sup>	Coverage <sup>4)</sup>	Area <sup>2)</sup>	Number <sup>3)</sup>	Coverage <sup>4)</sup>
<b>Total electricity consumption</b>							
Total energy consumption from electricity	Elec-Abs	954,825 sqm	49 out of 49	100.00%	1,094,571 sqm	56 out of 56	100.00%
Landlord obtained, common areas/shared services		940,605 sqm	48 out of 48	100.00%	1,067,523 sqm	54 out of 54	100.00%
Landlord obtained, tenant area (submetered)		532,317 sqm	27 out of 31	85.48%	749,817 sqm	35 out of 35	100.00%
Tenant obtained consumption, tenant area		43,520 sqm	2 out of 18	13.97%	344,755 sqm	15 out of 21	75.83%
<b>Electricity consumption LFL</b>							
Total energy consumption from electricity	Elec-LFL	954,825 sqm	49 out of 49	100.00%	954,825 sqm	49 out of 49	100.00%
Landlord obtained, common areas/shared services		940,605 sqm	48 out of 48	100.00%	940,605 sqm	48 out of 48	100.00%
Landlord obtained, tenant area (submetered)		532,317 sqm	27 out of 31	85.48%	532,317 sqm	27 out of 31	85.48%
Tenant obtained consumption, tenant area		43,520 sqm	2 out of 18	13.97%	43,520 sqm	2 out of 18	13.97%
<b>Energy consumption from district heating and cooling</b>							
Landlord obtained, whole building	DH&C-Abs	470,632 sqm	24 out of 25	97.07%	524,694 sqm	27 out of 27	100.00%
Tenant obtained, whole building		N/A	N/A	N/A	27,048 sqm	2 out of 2	100.00%
Consumption from district heating and cooling LFL	DH&C-LFL	470,632 sqm	24 out of 25	97.07%	470,632 sqm	24 out of 25	97.07%
<b>Energy consumption from fossil fuels</b>							
Whole building	Fuels-Abs	469,973 sqm	24 out of 24	100.00%	574,964 sqm	28 out of 28	100.00%
Energy consumption from fossil fuels LFL	Fuels-LFL	469,973 sqm	24 out of 24	100.00%	469,973 sqm	24 out of 24	100.00%
Building energy intensity	Energy-Int	954,825 sqm	49 out of 49	100.00%	1,094,571 sqm	56 out of 56	100.00%
Building energy intensity landlord-obtained <sup>5)</sup>		940,605 sqm	48 out of 48	100.00%	1,067,523 sqm	54 out of 54	100.00%
Direct GHG emission (total) Scope 1	GHG-Dir-Abs	469,973 sqm	24 out of 24	100.00%	574,964 sqm	28 out of 28	100.00%
Indirect GHG emission (total) Scope 2	GHG-Indir-Abs	954,825 sqm	49 out of 49	100.00%	1,067,523 sqm	54 out of 54	100.00%
Indirect GHG emission (total) Scope 3	GHG-Indir-Abs	593,337 sqm	29 out of 49	62.14%	1,011,646 sqm	50 out of 56	92.42%
Building GHG emissions intensity (Scope 1+2)	GHG-Int <sup>5)</sup>	940,605 sqm	48 out of 48	100.00%	1,067,523 sqm	54 out of 54	100.00%
Water consumption	Water-Abs	954,825 sqm	49 out of 49	100.00%	1,094,571 sqm	56 out of 56	100.00%
Water consumption LFL	Water-LFL	954,825 sqm	49 out of 49	100.00%	954,825 sqm	49 out of 49	100.00%
Building water consumption intensity	Water-Int	954,825 sqm	49 out of 49	100.00%	1,094,571 sqm	56 out of 56	100.00%
Total waste		894,226 sqm	47 out of 49	95.14%	1,021,144 sqm	52 out of 56	93.29%
Weight of waste by disposal route (absolute and %)	Waste-Abs	894,226 sqm	47 out of 49	95.14%	1,021,144 sqm	52 out of 56	93.29%
Weight of waste by disposal route (abs. and %) LFL	Waste-LFL	894,226 sqm	47 out of 47	100.00%	894,226 sqm	47 out of 47	100.00%
Type and number of assets certified	Cert-Tot	803,540 sqm	40 out of 49	84.16%	888,942 sqm	44 out of 56	81.21%

<sup>1)</sup> This table shows the lettable area, number of buildings and percentage coverage of the total building stock (according to the definition of the scope of the report on page 54-55) on which the respective consumption data in the table on page 56-59 are based)

<sup>2)</sup> Lettable area of applicable properties

<sup>3)</sup> Number of applicable properties

<sup>4)</sup> Coverage of lettable area in %

<sup>5)</sup> Total building, excluding tenant electricity

LFL: like-for-like

## COVERAGE OF THE CA IMMO OWN-USED OFFICES 2018/2019

Indicator	EPRA	2018		2019	
		Office space	Coverage	Office space	Coverage
Total electricity consumption	Elec-Abs	6,087 sqm	4 out of 4	3,820 sqm	3 out of 3
Like-for-like electricity consumption	Elec-LFL	3,820 sqm	3 out of 3	3,820 sqm	3 out of 3
Total energy consumption from district heating and cooling	DH&C-Abs	6,087 sqm	4 out of 4	3,820 sqm	3 out of 3
LFL consumption from district heating and cooling	DH&C-LFL	3,820 sqm	3 out of 3	3,820 sqm	3 out of 3
Total energy consumption from fossil fuels	Fuels-Abs <sup>1)</sup>	–	–	–	–
Building energy intensity	Energy-Int	6,087 sqm	4 out of 4	3,820 sqm	3 out of 3
Direct GHG emission (total) Scope 1	GHG-Dir-Abs	N/A	N/A	N/A	N/A
Indirect GHG emission (total) Scope 2	GHG-Indir-Abs	6,087 sqm	4 out of 4	3,820 sqm	3 out of 3
Building GHG emissions intensity	GHG-Int	6,087 sqm	4 out of 4	3,820 sqm	3 out of 3
Total water consumption	Water-Abs	6,087 sqm	4 out of 4	3,820 sqm	3 out of 3
Like-for-like water consumption	Water-LFL	3,820 sqm	3 out of 3	3,820 sqm	3 out of 3
Building water consumption intensity	Water-Int	6,087 sqm	4 out of 4	3,820 sqm	3 out of 3
Weight of waste by disposal route (absolute and %)	Waste-Abs	5,102 sqm	3 out of 4	2,883 sqm	2 out of 3
Like-for-like Weight of waste by disposal route (absolute and %)	Waste-LFL	2,883 sqm	2 out of 2	2,883 sqm	2 out of 2
Type and number of assets certified	Cert-Tot	2,883 sqm	2 out of 4	2,883 sqm	2 out of 3

<sup>1)</sup> There is no energy consumption from fossil fuels in any of the own-used offices

CERTIFICATION OF THE ASSET PORTFOLIO – EPRA CERT-TOT<sup>1)</sup>

Building Certification	2018	2019	2020
<b>BREEAM - Excellent</b>			
Coverage in sqm	112,451	150,333	80,990
Number of buildings	4	5	2
<b>BREEAM - Very good</b>			
Coverage in sqm	129,943	171,317	265,128
Number of buildings	8	10	14
<b>BREEAM - Interim</b>			
Coverage in sqm	0	0	78,029
Number of buildings	0	0	3
<b>Leed - Platinum</b>			
Coverage in sqm	145,589	144,728	144,723
Number of buildings	5	5	5
<b>Leed - Gold</b>			
Coverage in sqm	262,536	255,733	160,884
Number of buildings	13	13	8
<b>DGNB - Platinum</b>			
Coverage in sqm	48,335	85,418	85,755
Number of buildings	3	5	5
<b>DGNB - Gold</b>			
Coverage in sqm	104,680	81,413	81,413
Number of buildings	7	6	6

<sup>1)</sup> Basis: office properties, Gross leasable area (GLA) in sqm



## SOCIAL AND GOVERNANCE PERFORMANCE MEASURES ACCORDING TO EPRA

Social	EPRA code	Chapter	Unit of measure / Definition	Coverage	31.12.2020
Gender diversity	Diversity-Emp	Corporate Governance Report: Page 39-40	% of employees	Supervisory Board <sup>1)</sup>	67% Male 33% Female
				Executive Board	100% Male 0% Female
				Managers <sup>2)</sup>	68% Male 32% Female
				Employees	45% Male 55% Female
Gender pay	Diversity-Pay <sup>3)</sup>	ESG Report: Page 26-27	Ratio in %	Supervisory Board	0
				Executive Board <sup>4)</sup>	0
				Managers <sup>2)</sup>	-2.1
				Employees	8.2
					<b>2020</b>
Performance appraisals	Emp-Dev	ESG Report: Page 26-27	% of total workforce	All employees	99
New hires	Emp-Turnover		Total number		68
Turnover			Rate in % <sup>5)</sup>		16
			Total number (Exits)		39
Injury rate <sup>7)</sup>	H&S-Emp	ESG Appendix: Page 64	Rate in % <sup>6)</sup>	9.2	
Lost day rate <sup>8)</sup>			Rate in %	0%	
Absentee rate <sup>9)</sup>			Rate in %	1.8%	
Fatalities <sup>10)</sup>			Number	0	
Training and development	Emp-Training		Average hours of training per employee		Men: 9.9 Women: 12.4
Health and safety assessments	H&S-Asset	ESG Report: Page 24-25	Percentage of buildings (by rentable area) inspected for health and safety issues (e.g. fire safety, water quality) <sup>11)</sup>	% of total investment portfolio (by sqm)	83% (DE: 58%, AT: 89%, CEE: 99%)
Health and safety compliance	H&S-Comp	ESG Report: Page 28	All legal requirements are complied with, and any deficiencies identified are rectified immediately in all properties (100%)	Description	Page 24-25, 28
Community engagement	Comty-Eng		Share of properties (by rentable area) located in urban districts developed by CA Immo (Brownfield Development)	% of total investment portfolio	24% (DE: 58%, AT: 38%, CEE: 0%)
<b>Governance</b>					
Composition of the highest governance body	Gov-Board	Corporate Governance Report: Page 31-40	Total number of Management Board Members	Management Board	3
			Total number of Supervisory Board Members (independent)	Supervisory Board	5
			Average tenure (years) of Supervisory Board <sup>12)</sup>	Supervisory Board	5
			Supervisory Board Members <sup>13)</sup> with competencies relating to environmental and social topics	Supervisory Board	5
Nominating and selecting the highest governance body	Gov-Select		Description	Supervisory Board and Management Board	See page 34-35 and <a href="http://caimmo.com/management">caimmo.com/management</a>
Process for managing conflicts of interest	Gov-CoI		Description		Page 37

<sup>1)</sup> Total Supervisory Board, incl. 8 shareholder and 4 employee representatives

<sup>2)</sup> Managers include Group managers, Managing Directors of the regional offices, heads of departments, divisional heads, team leaders

<sup>3)</sup> Difference in average total compensation (base salary and bonus) per employee category (function, level, country) of women and men in %

<sup>4)</sup> The Management Board is 100% male. <sup>5)</sup> New hire rate: new hires 2020 / average employees 2020 (headcount) <sup>6)</sup> Staff turnover: staff leaving in 2020 / average employees in 2020 (headcount) <sup>7)</sup> Injury rate: number of injuries & occupational accidents / total hours worked by all employees <sup>8)</sup> Lost day rate: Number of absence days due to injuries due to accidents at work / total working time of all employees in hours <sup>9)</sup> Absentee rate: total number of absence days (illness) / total working time of all employees in days <sup>10)</sup> Fatalities: Number of deaths due to occupational disease or accident <sup>11)</sup> In 2020, all multi-tenant office buildings (excluding new acquisitions in 2020) have been inspected for H&S. In single-tenant buildings (incl. hotels), the tenant is responsible for H&S assessments and inspections.

<sup>12)</sup> General average appointment period <sup>13)</sup> Independent / non-executive Supervisory Board Members.

## INFORMATION ON CA IMMO EMPLOYEES

TYPES OF EMPLOYMENT AND WORK MODELS <sup>1)</sup>

Performance measures	Gender	Unit of measure	31.12.2019	31.12.2020
<b>Employment</b>				
Total employment	Female	HC	214.0	223.0
	Male	HC	200.0	214.0
	<b>Total</b>	<b>HC</b>	<b>414.0</b>	<b>437.0</b>
New hires	Female	HC	36.0	27.0
	Male	HC	38.0	41.0
	<b>Total</b>	<b>HC</b>	<b>74.0</b>	<b>68.0</b>
Leavings	Female	HC	21.0	13.0
	Male	HC	21.0	26.0
	<b>Total</b>	<b>HC</b>	<b>42.0</b>	<b>39.0</b>
Fluctuation	Female	HC	10%	6%
	Male	HC	11%	12%
	<b>Total</b>	<b>HC</b>	<b>10%</b>	<b>9%</b>
<b>Employment contracts<sup>2)</sup></b>				
Full-time		HC	N/A	364
Part-time		HC	N/A	47
Unpaid leave		HC	N/A	26
<b>Total</b>		<b>HC</b>	<b>N/A</b>	<b>437</b>
Temporary employees		HC	0	0
All-in		HC	N/A	400
<b>Health</b>				
Occupational diseases		Number/year	0	0
Occupational accidents		Number/year	2	2
<b>Education &amp; training</b>				
Number of employees trained		HC	414	437
Training time in hours		Hours/year	10,651	4,892
<b>Social dialogue</b>				
Number of collective agreements		Number	0	0
Bargaining agreements		Number	8	8
Number of meetings of the works council with the management board		Number/year	4	4

<sup>1)</sup> Excl. joint ventures; HC: Headcount.

<sup>2)</sup> This data was collected for the first time for business year 2020. It was not collected for business year 2019 (N/A).





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This Report contains statements and forecasts which refer to the future development of CA Immobilien Anlagen AG and their companies. The forecasts represent assessments and targets which the Company has formulated on the basis of any and all information available to the Company at present. Should the assumptions on which the forecasts have been based fail to occur, the targets not be met or the risks set out in the risk management report materialise, then the actual results may deviate from the results currently anticipated. This report does not constitute an invitation to buy or sell the shares of CA Immobilien Anlagen AG.

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## IMPRINT

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We ask for your understanding that gender-conscious notation in the texts of this Report largely had to be abandoned for the sake of undisturbed readability of complex economic matters.

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A new landmark for the Frankfurt skyline: The ONE office and hotel high-rise is being built in a central location, developed by CA Immo.



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